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# Constitutional Patent Law: Principles and Institutions

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# Constitutional Patent Law: Principles and Institutions

## TABLE OF CONTENTS

I. Introduction .....	902
II. Historical Method and Constitutional Development in Patent Law .....	905
A. Historical Method in Patent Law .....	906
B. Innovative and Social Disruption in Patent Law:	
A Multivariate Analysis .....	911
1. Innovative Disruption in the Progressive Era ...	912
2. Social Disruption in the Progressive Era .....	914
III. The Social-Obligation Principle and the Constitutional Regulation of Patents .....	917
A. The Social-Obligation Principle and the Common Law Regulation of Patents .....	917
B. The Language of Obligation in the Constitutional Regulation of Patents .....	919
1. The Language of Obligation in Contract Law ...	919
2. The Language of Obligation in Property Law ...	923
a. Its Theoretical Origins .....	923
b. The Social-Obligation Principle and State Regulation .....	925
c. The Social-Obligation Principle as Constitutional Social-Obligation Norm .....	929
C. The Modern Patent Bargain: Synthesizing the Social-Obligation Principle .....	933

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IV. Constitutional Complexity in the Formation of Modern Patent Law .....	940
A. Constitutional Complexity and Practical Effect in Modern Patent Law .....	940
B. Constitutional Complexity and Theoretical Consequence in Modern Patent Law .....	947
V. Conclusion .....	949

## I. INTRODUCTION

Popularly referred to as the “IP Clause,” Article I, Section 8, clause 8 of the United States Constitution states that Congress may grant patents and copyrights so as “[t]o promote the Progress of Science and the useful Arts.”<sup>1</sup> The IP Clause’s limits on Congress’s enumerated power to regulate patent and copyright have prompted a fierce scholarly debate on the text, structure, and history of the IP Clause.

I contend, however, that amidst this fierce debate, we have ignored another important purpose of the IP Clause: its role as a constitutional norm. A constitutional norm, as identified by Hiroshiro Motomura, is an interpretative principle that judges use to analyze “rules in subconstitutional forms,” such as “statutes, regulations, and administrative guidelines.”<sup>2</sup> The Supreme Court of the United States (Supreme Court) has invoked the text of the IP Clause as an interpretative canon of construction in assessing the Patent Act of 1952 and, more uniquely, the constitutional common law doctrines that form the doctrinal content of the patent-law regime.

The invocation of the IP Clause is often a signal that the Court will weigh the rights of the individual patentees against the public consequence associated with an improvidently granted patent. While there are many examples of constitutional norms in patent law, this Article traces the use of this particular constitutional norm, what I identify as the social-obligation principle, during the Progressive Era. During this era, the Supreme Court used the social-obligation principle as a way to impose obligations on the patentee to act in ways that did not harm the public. In doing so, the Court attempted, through common law doctrines in contract and property law, to regulate the harmful impact of a patent.

This Article seeks to achieve two goals by analyzing the social-obligation principle and its relationship to the IP Clause.

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1. U.S. CONST. art. I, §8, cl. 8.

2. Hiroshi Motomura, *Immigration Law After a Century of Plenary Power: Phantom Constitutional Norms and Statutory Interpretation*, 100 YALE L.J. 545, 548 (1990); see also Cass Sunstein, *Interpreting Statutes in the Regulatory State*, 103 HARV. L. REV. 405, 459 (1989) (“Interpretative principles are often a product of constitutional norms.”) (citing Henry Paul Monaghan, *Foreword: Constitutional Common Law*, 89 HARV. L. REV. 1 (1975)).

First, this Article adds to an ongoing debate over whether the U.S. Supreme Court's recent intervention into intellectual property law is necessary or even appropriate. The use of constitutional norms, such as the use of the social-obligation principle, is not well understood within the relevant scholarly literature nor has it been recognized within the doctrinal content of the Federal Circuit.<sup>3</sup> Examining judicial use of the IP Clause as a constitutional principle is helpful in explaining what often appears to be confusing or contradictory choices on the part of the Supreme Court.

Beyond that, the Supreme Court's utilization of constitutional norms such as the social-obligation principle has not been viewed as a legitimate act of constitutional interpretation.<sup>4</sup> I contend, however that the Supreme Court's use of the social-obligation principle is an appropriate and legitimate institutional intervention into the doctrinal formation of the modern patent regime. I take seriously Craig Nard's initial claim that the "the reform-minded engage patent law's traditional policy driver[—]the judiciary"<sup>5</sup>—by emphasizing the relevance, and more importantly, the legitimacy of the Supreme Court's own interpretative traditions in the modern patent regime.

Second, this Article suggests that to fully comprehend the direction that modern patent law is headed, intellectual property law scholars and practitioners must begin to think more like their constitutional counterparts. What does this mean in practice? Any substantive analysis of constitutional intellectual property law should not only focus on the particular text of the IP Clause, but should also focus on how particular judges *interpret* the IP Clause. By viewing patent law through the lens of constitutional principles, scholars and practitioners will be able to trace the doctrinal lineages of particular Justices on the Supreme Court, and furthermore, determine that their particular interpretative reasoning in a given case is not unpredictable.

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3. For example, the Federal Circuit has typically only invoked the term "public interest" in its consideration of the grant of preliminary and permanent injunctive relief. See, e.g., *Abbott Labs. v. Sandoz, Inc.*, 544 F.3d 1341 (Fed. Cir. 2008); *Broadcom Corp. v. Qualcomm Inc.*, 543 F.3d 683 (Fed. Cir. 2008); *GP Indus. v. Eran Indus., Inc.*, 500 F.3d 1369, 1372 (Fed. Cir. 2007); *Hoop v. Hoop*, 279 F.3d 1004, 1006 (Fed. Cir. 2002); *Tate Access Floors, Inc. v. Interface Architectural Res., Inc.*, 279 F.3d 1357, 1364 (Fed. Cir. 2002); *Eli Lilly & Co. v. Am. Cynamid Co.*, 82 F.3d 1568, 1571 (Fed. Cir. 1996); *Illinois Tool Works v. Grip-Pak, Inc.*, 906 F.3d 679, 684 (Fed. Cir. 1990); *Hybritech Inc. v. Abbott Labs.*, 849 F.2d 1446, 1458 (Fed. Cir. 1988).

4. See, e.g., Kenneth Burchfiel, *Revising the "Original" Patent Clause: Pseudohistory in Constitutional Construction*, 2 HARV. J.L. & TECH. 155 (1989) (criticizing *Graham v. John Deere Co.*, 383 U.S. 1 (1966), and associated lines of cases as an example of the Supreme Court's use of *pseudohistory* in constitutional analysis).

5. Craig Allen Nard, *Legal Forms and the Common Law of Patents*, 90 B.U. L. REV. 51, 55 (2010) (discussing the relationship between constitutional framework, common law adjudication, and statutory design).

The existence of a social-obligation principle, therefore, is a useful vehicle for predicting how Supreme Court justices will react to constitutional challenges within the patent regime. Moreover, sensitivity to the complexity embedded within constitutional patent law helps us to move beyond what has increasingly become a circular debate over the relationship of the IP Clause to congressional authority. In turn, this will allow both scholars and practitioners to engage in a more meaningful reading of the ways in which the relevant actors can construct the doctrines associated with constitutional intellectual property law.

This Article, then, is both a recovery and recognition. I seek to recover the evolving doctrinal contours of the social-obligation principle and to recognize its relationship to the institutional regulation of patent law.

In Part II of this Article, I review the usefulness of historical method in recovery of the particular interpretative principle. Specifically, I claim that we need to employ a multivariate historical method, which emphasizes how law can often simultaneously reflect and respond to different economic, political, and social trends. By using a multivariate historical method, I focus on how innovative and social disruption produced significant doctrinal evolution in constitutional patent law during a time of formative change in the late nineteenth and early twentieth century.<sup>6</sup>

In Part III of this Article, I describe the evolution of the social-obligation principle<sup>7</sup> in constitutional doctrines associated with patent law. Initially, I contend that during the Progressive Era, the Supreme Court used two distinct areas of common law—contract law and property law<sup>8</sup>—to ground the social-obligation principle into constitutional patent law.<sup>9</sup> Property law and contract law offered different doctrinal approaches to one key question: how could the law respond to the so-

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6. For ease of reference, I will refer to this time period from 1870 until 1920 as the early modern period in patent law. I regard the passage of the Patent Act of 1952 as the modern period in patent law.

7. Gregory S. Alexander, *The Social-Obligation Norm in American Property Law*, 94 CORNELL L. REV. 745 (2009) (defining social obligation norm and its implication for the property law of the United States).

8. This tradition was based on the interpretative claim that a patent is “property.” See, e.g., *Zoltek Corp. v. United States*, 464 F.3d 1335, 1338 (Fed. Cir. 2006) (Newman, J., dissenting) (asserting that “patent rights are property rights, entitled to just compensation when taken by the United States”), *rev’d in part, vacated in part*, 672 F.3d 1309, 1327 (Fed. Cir. 2012).

9. As I describe below, the term constitutional patent law can be described in many ways, for instance, it can describe interpretations of the patents statutes, see *infra* section II.A, it can describe a constitutional common law, see *infra* section II.A, or it can describe the application of other areas of constitutional practice to patents, see, e.g., Adam Mossoff, *Patents as Constitutional Private Property: The Historical Protection of Patents Under the Takings Clause*, 87 B.U. L. REV. 689, 700–07 (2007) (describing how, around the turn of the nineteenth century, courts repeatedly held that patents were a type of constitutional property).

cial and innovative harms of the patent owner to the public interest? I conclude that the Supreme Court ultimately consolidated these two lines of doctrinal content into a key metaphor of modern constitutional patent law, the resonant metaphor of the constitutional patent bargain. Tracing this historical lineage of the patent bargain is important in a theoretical sense as it helps us to trace the impact of social and innovative disruption in patent law, and in a practical sense, as the Supreme Court has used it as a key interpretative method in assessing the statutory terms of the Patent Act of 1952.

In Part IV, I examine the importance of the social-obligation principle as a constitutional norm. I suggest that we view the social-obligation principle in light of a model of constitutional complexity in patent law. This model emphasizes two elements. First, it stresses that we need to examine the ongoing use of constitutional norms in the modern patent regime by focusing on the ongoing use of constitutional norms, along with examining different doctrinal lineages. This practical recognition of constitutional complexity will help us to appropriately assess the intellectual property jurisprudence of the Supreme Court. Second, my model of constitutional complexity seeks to stress the institutional legitimacy of the Supreme Court's use of this constitutional norm within the current doctrinal formation of patent law. In particular, I stress that the Supreme Court's jurisprudence has been necessary in patent law to provide an institutional space for social movements to challenge the basic norms of the overall patent regime that has been committed to epistemic insularity.

## II. HISTORICAL METHOD AND CONSTITUTIONAL DEVELOPMENT IN PATENT LAW

In this section of this Article, after examining the use of diverse methods, I examine the historical circumstances that produced the significant doctrinal response embodied in the social-obligation principle. I adopt Alfred Brophy's view that legal history should explore the development of law through multiple lenses so as to view the law as a "partial catalyst and at other times [as] the dependent variable that helps us gauge cultural and economic evolution."<sup>10</sup> A central claim of this Part, therefore, is that the Supreme Court's gradual use of constitutional norms, such as the social-obligation principle, reflected the impact of two crosscutting variables: innovative and social disruption.

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10. Alfred L. Brophy, *Multivariate Analysis Through Narrative History*, 15 GREEN BAG 2D 465, 467 (2012). Brophy's model, as applied, is directed toward analyzing Edward White's recent work, *LAW IN AMERICAN HISTORY: VOLUME I* (2012), which is a narrative history, rather than an examination of doctrinal evolution. I have modified Brophy's model in this Article, by utilizing the multivariate approach to case law. In doing so, I have selected two variables—social and innovative disruption—to utilize as ways to focus the examination of this material.

Innovative and social disruption reflected the complex relationship between political and social actors in the making of patent law.

Section II.A, after examining various historical methods in assessing constitutional development within patent law, introduces and emphasizes the importance of a multivariate approach in assessing constitutional development in intellectual property law. In section II.B, by employing this multivariable approach, I explore how two crosscutting variables—social and innovative disruption—impacted the formation of constitutional patent law during the Progressive Era.

### A. Historical Method in Patent Law

Tracing the existence of constitutional norms, such as the social-obligation principle, is essentially an elusive act of reconstruction for two reasons. First, judges use constitutional norms in different ways. Initially, Hiroshiro Motomura noted that constitutional norms may govern “expressly constitutional decisions.”<sup>11</sup> Therefore, judicial use of constitutional norms can be applied to expressly constitutional decisions such as whether the IP Clause can limit the passage of congressional legislation. Additionally, Motomura claims that constitutional norms can be used as an interpretative canon that permits courts to “interpret statutes so as to avoid constitutional doubt[s].”<sup>12</sup> Thus, judicial use of constitutional norms can also be used to resolve disputes over the meaning of a particular term in a statute or administrative guideline. Consequently, tracing the use of constitutional norms can be very difficult.

This difficulty further arises in patent law, which enjoys a rich constitutional common law tradition. Henry Monaghan defines constitutional common law as a “substructure of substantive, procedural, and remedial rules drawing their inspiration and authority from, but not required by, various constitutional provisions; in short, a constitutional common law subject to amendment, modification, or even reversal by Congress.”<sup>13</sup> Craig Nard has noted how federal patent law incorporates common law in intellectual property law.<sup>14</sup> For instance, the modern patent regime incorporates common law exceptions to 35 U.S.C. § 101,<sup>15</sup> the existence of the doctrine of equivalents within the infringement of patents,<sup>16</sup> and the experimental use doctrine.<sup>17</sup> Using constitutional principles to interpret a judicially created doctrine

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11. Motomura, *supra* note 2, at 561.

12. *Id.*

13. See Henry P. Monaghan, *Foreword: Constitutional Common Law*, 89 HARV. L. REV. 1, 2 (1975).

14. Nard, *supra* note 5, at 54.

15. *Mayo Collaborative Servs. v. Prometheus Labs., Inc.*, 132 S. Ct. 1289 (2012).

16. *Warner-Jenkinson Co. v. Hilton Davis Chem. Co.*, 520 U.S. 17 (1997).

17. *City of Elizabeth v. Am. Nicholson Pavement Co.*, 97 U.S. 126 (1877).

intensifies what is an already complex set of choices in the doctrinal formation of patent law.

Second, constitutional norms, such as the social-obligation principle, reflect the significant interpretative autonomy enjoyed by judicial actors within the constitutional regime. Interpretative judicial autonomy suggests that any decision making can be shaped by individual idiosyncrasies, some political in nature, or others more personal in nature.<sup>18</sup> Thus, some form of contextual analysis—whether anthropological, philosophical, empirical, sociological, economic, or historical—is necessary to explain the basis behind *why* any given judge may utilize a specific constitutional norm, such as the social-obligation principle.

I employ historical analysis as a specific contextual tool for this Article to resolve these difficulties. An historical lens best captures how these constitutional norms emerged as a response to the fundamental restructuring of the American political economy. Fundamental restructuring of the political economy in the United States has occurred three times during the modern patent era: in the late nineteenth century during the Progressive Era, the New Deal, and arguably, our current era.<sup>19</sup> Historical analysis within law, of course, brings its own choices as to the appropriate method. As discussed below, I apply a specific historical method—the multivariate method—in my historical analysis of intellectual property law.

Before I do so, I want to briefly examine the historical methods typically applied within the legal history of intellectual property to place my specific approach in context. I do so because of a belief that intellectual property historians need to make their evidentiary and ideological choices more fully available for evaluation. The legal his-

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18. See, e.g., Chad M. Oldfather, *Writing, Cognition, and the Nature of the Judicial Function*, 96 GEO. L.J. 1283, 1322–24 (2008) (examining this phenomenon as it plays out during the judicial opinion-writing process).

19. Robert Radin has identified three primary eras in the development of regulatory politics: (1) the Populist and Progressive Era; (2) the New Deal Era; and (3) the Public Interest Era. Robert L. Radin, *Federal Regulation in Historical Perspective*, 38 STAN. L. REV. 1189 (1986); see also MORTON KELLER, *AMERICA'S THREE REGIMES* 3 (2007) (assessing the relationship of America's public life into three regimes: deferential-republic (1790–1820); party-democratic (1830–1930); and populist-bureaucratic (1930–Present)). The relationship of patent law to the regulatory state has recently gained historical attention. Joseph Scott Miller, *Substance, Procedure, and the Divided Patent Power*, 63 ADMIN. L. REV. 31 (2011) (analyzing changes in the administrative patent regime during the New Deal Era); Adam Mossoff, *The Use and Abuse of IP at the Birth of the Administrative State*, 157 U. PA. L. REV. 2001 (2009) (analyzing how legal realism as a theoretical model emphasized a linkage between the exercise of patent rights and the theoretical foundations of the modern state). For ease of reference, I will refer to the Progressive and Populist Era as the “Progressive Era,” as the periods have significant overlap and, thus, are not easy to distinguish within a historical analysis.



tory of intellectual property corresponds closely to the primary categories of legal history as identified by Alfred Brophy. The first category is internalist legal history, which focuses on the “history of legal doctrine, lawyers’ practices, and legal institutions.”<sup>20</sup> The second category is sociolegal history, which “links legal institutions to society, to see how law reflects social values.”<sup>21</sup> The final category is embedded legal history, which seeks to examine how law is interpreted in a broader culture “by people who had never read a legal treatise or seen the inside of law school classroom.”<sup>22</sup>

By far, the most influential method in the legal history of intellectual property has been the internalist approach, within which legal historians seek to trace the doctrinal and statutory development of intellectual property law.<sup>23</sup> Critiques of internalist methods have been centered on its evidential and conceptual insularity.<sup>24</sup> Such insularity is apparent as well in internalist intellectual property history, as its basic intent was to introduce practitioners to primary sources that would aid in crafting arguments before judicial tribunals.<sup>25</sup> Its evidentiary base was then correspondingly conservative, employing traditional legal sources, including published patents, cases, statutes, and constitutional texts.<sup>26</sup> Internalist methods were further limited

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20. Brophy, *supra* note 10, at 465.

21. *Id.*

22. *Id.* at 466.

23. Prominent examples of the internalist approach within legal history of intellectual property include the works of Edward C. Walterscheid. EDWARD C. WALTERScheid, *TO PROMOTE THE PROGRESS OF USEFUL ARTS: AMERICAN PATENT LAW AND ADMINISTRATION, 1798–1836* (1998); Edward C. Walterscheid, *To Promote the Progress of Science and Useful Arts: The Background and Origin of the Intellectual Property Clause of the United States Constitution*, 2 J. INTELL. PROP. L. 1 (1994) (having been cited in *Bilski v. Kappos*, 561 U.S. 593 (2010), and *Figueroa v. United States*, 66 Fed. Cl. 139 (Fed. Cl. 2005)); *see also* *Eldred v. Ashcroft*, 537 U.S. 186 (U.S. 2003) (Stevens, J., dissenting) (citing Walterscheid); *In re Comiskey*, 554 F.3d 967 (Fed. Cir. 2009) (addressing the issue of patentable subject matter on appeal); *In re Bilski*, 545 F.3d 943 (Fed. Cir. 2008) (citing Walterscheid).

24. Mark Tushnet has critiqued evidentiary and conceptual insularity in his methodology of internalist legal history. Mark Tushnet, *Interdisciplinary Legal Scholarship: The Case of History-In-Law*, 71 CHI.-KENT. L. REV. 909, 922–24 (1996) (assessing the evidentiary and conceptual treatment of historical material within an internalist methodology).

25. Examples of internalist methods include E. Wyndam Hulme, *The History of the Patent System Under the Prerogative and at Common Law*, 12 L.Q. REV. 141 (1896) (assessing primary sources related to early English patent law); Ramon Klitzke, *Historical Background of the English Patent Law*, 41 J. PAT. OFF. SOC’Y 615 (1959); Guilo Mandich, *Venetian Patents*, 30 J. PAT. OFF. SOC’Y 166 (1948) (collecting and evaluating patents from Venice); Frank Prager, *Historical Background and Foundation of American Patent Law*, 5 AM. J. LEGAL HIST. 309, 324 (1951) (summarizing sources from the constitutional era).

26. *See, e.g.*, HARRY TOULMIN, JR., *PATENTS AND THE PUBLIC INTEREST* (1939) (assessing the relationship of patents to public policy for a general audience).

because they failed to incorporate methods within standard historical practices, among them the history of science and technology,<sup>27</sup> the history of economic development,<sup>28</sup> social and cultural history,<sup>29</sup> intellectual history,<sup>30</sup> or institutional history.<sup>31</sup>

The insularity of the internalist method is troubling because each category of historical method offers relevant insight into the doctrinal formation of patent law. Recent scholarly work in intellectual property history has reduced this conceptual and evidential insularity. Scholars have instead adopted either a “sociolegal” approach or, alternatively, an “embedded legal” approach. In particular, sociolegal method in intellectual property history has flourished.<sup>32</sup> This predominant legal approach has been to link intellectual property law to technological change and innovation within society. Other sociolegal

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27. See, e.g., Pamela Long, *Invention, Authorship, “Intellectual Property,” and the Origins of Patents: Notes Toward a Conceptual History*, 32 TECH. & CULT. 846 (1991) (“As it pertains to technology, ‘intellectual property’ involves particular attributes toward craft knowledge and practice, invention, and authorship, and is properly studied within the context of these intrinsically related issues.”).
  28. See, e.g., ZORINA B. KHAN, *THE DEMOCRATIZATION OF INVENTION: PATENTS AND COPYRIGHTS IN AMERICAN ECONOMIC DEVELOPMENT, 1790–1920* (2005) (assessing the relationship of intellectual property institutions in understanding the economic growth of the United States). Notably, the history of economic development in the United States introduced an interdisciplinary perspective into intellectual property history during the preeminence of internalist orthodoxy. See, e.g., Fritz Machlup & Edith Penrose, *The Patent Controversy in the Nineteenth Century*, 10 J. ECON. HIST. 1, 6–7 (1950) (assessing the controversy related to the efficacy of patent regimes for economic development in the nineteenth century).
  29. See, e.g., VENUS GREEN, *RACE ON THE LINE: GENDER, LABOR AND TECHNOLOGY IN THE BELL SYSTEM, 1880–1890* (2001) (examining the relationship between race, gender and innovation in telecommunications).
  30. See, e.g., Michael B. Levy, *Freedom, Property and the Levellers: The Case of John Lilburne*, 36 W. POL. Q. 116, 123–24 (1983) (examining the relationship between property, patents, and democratic accountability in the work of Puritan political theorist John Lilburne).
  31. Louis Galambos & Jane Elliot Sewell, *NETWORKS OF INNOVATION: VACCINE DEVELOPMENT AT MERCK, SHARP AND DOHLME, AND MULFORD 1895–1995* (1997) (examining the relationship between research, innovation, and corporate structure in pharmaceutical development).
  32. An assessment of the sociolegal method from a macrohistorical level includes Robert F. Merges. See Robert F. Merges, *One Hundred Years of Solicitude: Intellectual Property Law*, 88 CALIF. L. REV. 2187, 2215–17 (2000) (analyzing the development of intellectual property law in the twentieth century as a response to technological change). An assessment of the sociolegal method from specific industrial case studies to gauge the relationship between innovation and legal development include Lea Shaver. See Lea Shaver, *Illuminating Innovation: From Patent Racing to Patent War*, 69 WASH. & LEE L. REV. 1891 (2012) (employing a case study methodology so as to understand the development of patent innovation); see also, e.g., Adam Mossoff, *The Rise and Fall of the First American Patent Thicket: The Sewing Machine War of the 1850s*, 53 ARIZ. L. REV. 166 (2011) (employing a case study methodology to understand the model of patent thickets).

methodologies have emerged as well, among them the sociocultural method<sup>33</sup> and an institutional method.<sup>34</sup> Less frequently, scholars have used an embedded legal method<sup>35</sup> to examine the relationship of social movements in the development of intellectual property law.

What have these new methods in intellectual property taught us? At its most basic sense, increased scholarly use of sociolegal method and embedded legal method directs us to new types of evidentiary sources in patent law. For example, Kara Swanson utilizes treatises prepared by patent agents after the passage of the Patent Act of 1836 in her examination of authorship in the patent regime.<sup>36</sup> These new evidentiary sources include letters or popular texts, such as patent treatises,<sup>37</sup> general audience books,<sup>38</sup> novels,<sup>39</sup> political publications,

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33. The sociocultural method has been exemplified by the work of Mario Biagioli and Kara Swanson. See, e.g., Mario Biagioli, *Patent Republics: Representing Inventions, Construction Rights and Authors*, 73 SOC. RES. 1129, 1132 (2006) (examining the cultural production of patent specifications and its relationship to representative politics); see also, e.g., Kara Swanson, *Getting a Grip on the Corset: Gender, Sexuality and Patent Law*, 23 YALE J.L. & FEMINISM 57 (2011) (examining the relationship between gender and legal precedent of patent law in the late nineteenth century).
  34. The institutional method has been adopted by John Duffy and Craig Nard. See, e.g., John Duffy, *The FCC and the Patent System: Progressive Ambition, Jacksonian Realism*, 71 U. COLO. L. REV. 1071 (2000) (examining the institutional history of the Federal Communications Commission); Andrew Morriss & Craig Allen Nard, *Institutional Choice & Interest Groups in the Development of American Patent Law: 1790–1870*, 19 SUP. CT. ECON. REV. 66–67 (2011) (outlining the importance of interest groups within the development of statutory law during the nineteenth century), archived at <http://perma.unl.edu/8T6V-J6VF>.
  35. A few scholars have used an embedded legal method to examine the relationship of social movements in the development of intellectual property law. See, e.g., Mark Bartholomew, *A Right is Born: Celebrity, Property, and Postmodern Law-making*, 44 CONN. L. REV. 301, 346 (2011) (examining the impact of a democratization of fame on the emergence of the right of publicity); Susan Sell & Christopher May, *Moments in Law: Contestation and Settlement in the History of Intellectual Property Law*, 8:3 REV. INT'L POL. ECON. 467, 468 (2001) (claiming that the “development of intellectual property has been a contested political process producing successive phases or settlement or institutionalization.”).
  36. KARA SWANSON, *Authoring an Invention: Patent Production in the Nineteenth Century*, in MAKING AND UNMASKING INTELLECTUAL PROPERTY 41, 45–49 (Mario Biagioli, Peter Jaszi, & Martha Woodmansee eds., 2011).
  37. See, e.g., THOMAS GREEN FESSENDEN, AN ESSAY ON THE LAW OF PATENTS FOR NEW INVENTIONS (1823) (summarizing patent law in the early United States); THOMAS GREEN FESSENDEN, THE REGISTER OF ARTS, OR A COMPENDIOUS VIEW OF SOME OF THE MOST USEFUL MODERN DISCOVERIES AND INVENTIONS (1808) (collecting a set of patents in an early treatise). Fessenden’s role in patent law in the United States is an example of how a broader evidentiary analysis within patent law can add to our substantive understanding of the doctrinal formation of the early patent regime, given his complementary role in early American literature. See George L. Roth, *American Theory of Satire, 1790–1820*, 29 AM. LIT. 399, 403 (1958). Fessenden’s role in early American literature suggests an interesting relationship between patent law and the cultural life of the early republic. See generally BEYOND THE FOUNDERS: NEW APPROACHES TO THE POLITICAL HISTORY OF

and speeches.<sup>40</sup> New evidentiary sources are important in helping us to assess the complex interactions between formal authority and informal action in the making of patent law.

In a more important sense, these new methodologies have provided us with a conceptually rich framework for describing the doctrinal formation of patent law. My use of the term “doctrinal formation” is a deliberate one insofar as the term captures two conceptual insights that result from recent scholarship. First, the doctrinal content of intellectual property law, generally, and patent law, specifically, is quite diverse as it consists of constitutional law, statutory law, and common law. Second, the means by which such a doctrine is formed, whether through administrative, legislative, judicial, or social activism, also matters in how we perceive the doctrinal evolution of the patent regime. Embedded legal methodology, specifically, is sensitive to the questions of *praxis*—how attorneys, judges, and members of social movements utilize different methods to impact doctrinal change in the law.<sup>41</sup>

### **B. Innovative and Social Disruption in Patent Law: A Multivariate Analysis**

These richer historical methods help us to understand how the doctrinal formation of patent law has been impacted by broader historical trends. As discussed above, multivariate historical method offers a way to explore the relationship between historical factors and the doctrinal formation of law. Multivariate method encompasses two basic claims. First, multivariate method emphasizes that diverse economic and social factors may impact doctrinal formation in the law. The availability of richer historical methods suggests that the doctrinal formation of patent law is impacted simultaneously by many different factors. These factors include innovative business practices within particular industries, as well as the social changes such practices can produce in the status of individuals and groups within a given society,

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THE EARLY AMERICAN REPUBLIC (Jeffrey L. Pasley, Andrew W. Robertson & David Waldstreicher eds., 2004) (collecting articles on the relationship of cultural formation and the political culture of the Early Republic).

38. See, e.g., Giles S. Rich Papers (1790–1999) (unpublished collection of the correspondence of Giles S. Rich on a range of patent issues) (on file with Library of Congress, Manuscript Division, OLC Number 70979785).

39. CLARE PETTITT, PATENT INVENTIONS—INTELLECTUAL PROPERTY AND THE VICTORIAN NOVEL (2004) (analyzing the treatment of patent and copyright law in the literature of the Victorian Era).

40. See, e.g., Veto Message—Bank of the United States (July 10, 1832), in THE STATEMANSHIP OF ANDREW JACKSON AS TOLD IN HIS WRITING AND SPEECHES 154, 167 (1909) (assessing the relationship of IP Clause to congressional authority).

41. See KALI MURRAY, THE POLITICS OF PATENT LAW: CRAFTING THE PARTICIPATORY PATENT BARGAIN 103 (2012).

and the subsequent political and judicial response to these events. Any account of doctrinal formation in patent law, then, must view the impacts of innovative and social disruption together.

Second, multivariate method stresses the important of attempting to analyze the fluid relationship between formal authority and informal action in the law. Specifically, we need to assess how diverse social and political actors besides traditional judicial actors such as judges or lawyers, impact the doctrinal formation of the law. Recent work by constitutional scholars such as Reva Seigel and Lani Guiner emphasizes how the social and political activities of popular social movements such as the Civil Rights Movement or abortion rights activism may impact the formal legal decision making of judges, legislators, and administrators.<sup>42</sup> Multivariate method stresses both perceived failures of law that served as a catalyst for social change, and the legal system's response to those changes.

### 1. *Innovative Disruption in the Progressive Era*

Two trends—innovative disruption and social disruption—interacted to create the conditions for significant legal change in patent law in the late nineteenth century and early twentieth century. Innovative disruption occurs when a patent, a series of patents, or risk and strategic management practices associated with patents prompt a significant reordering of competitive relationships in a given industry.<sup>43</sup> Innovative disruption can be perceived as creative within the industrial order, but, equally, it is perceived as destructive to the industrial order. Recent examples of innovative disruption in patent law involve the Apple–Samsung disputes, which have revealed innovative business practices around the acquisition of the patents themselves and around the management of patent portfolios.<sup>44</sup>

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42. Lani Guiner, *Courting the People: Demosprudence and the Law/Politics Divide*, 89 B.U. L. REV. 539 (2009); Reva Seigel, *Constitutional Culture, Social Movement Conflict and Constitutional Change: The Case of the De Facto Era*, 94 CALIF. L. REV. 1323 (2006).

43. I use a model here suggested by Lea Shaver that claims that examination of innovation norms may work best in utilizing a case-based historical method. Lea Shaver, *supra* note 32, at 1900–07.

44. Christianna Edrington, *Smartphone Wars: Emphasizing eBay's First Two Factors in Smartphone Patent Injunctions*, 13 U. PITT. J. TECH. L. & POL'Y 1 (2013) (recommending that, to ensure innovation and to protect the patentee's property rights, judges must reassess the weight of the factors they consider when deciding whether to grant an injunction); Nick Wingfeld, *Jury Awards \$1 Billion to Apple in Samsung Patent Case*, N.Y. TIMES, Aug. 24, 2012, [http://www.nytimes.com/2012/08/25/technology/jury-reaches-decision-in-apple-samsung-patent-trial.html?\\_r=0](http://www.nytimes.com/2012/08/25/technology/jury-reaches-decision-in-apple-samsung-patent-trial.html?_r=0), archived at <http://perma.unl.edu/G62P-7CLJ> (noting that the disputes could mean two things: consumers could experience some discomfort as they will have to adapt if smartphone manufacturers are forced to design around Apple's patents to avoid infringement suits, or the decision could prompt more

Patent law underwent significant innovative disruption in the late nineteenth century. For instance, in his 1889 work, *Monopolies and the People*, Charles Whiting Barker noted the ways in which “patents sometimes aid in the formation of trusts and combinations. Two or three firms may control all the valuable patents in connection with some important industry. If they agree to combine their interests and work in harmony, they are far stronger than ordinary trusts because the patents they hold prevent outside competition.”<sup>45</sup>

Innovative disruption in nineteenth century United States occurred in many different industries. The railroad industry, for instance, is a paradigmatic example of the impact of innovative disruption. Steven Usselman has examined how railroads utilized co-operative structures such as patent pools to distribute technological information to suppliers so as to increase standardization throughout the railroad network.<sup>46</sup> Assessing doctrinal response to innovative disruption can be difficult because the impact of innovative disruption can vary significantly within any given industrial context.<sup>47</sup> This ensuing dynamic of industrial variability means that legal response is difficult because changes in the doctrinal content of patent law may favor one industrial model of innovation at the expense of others.<sup>48</sup>

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innovation); Eric Zeman, *Apple vs. Samsung: Apple Wins Battle but Losing War?*, INFORMATION WEEK (May 5, 2014), <http://www.informationweek.com/mobile/mobile-devices/apple-vs-samsung-apple-wins-battle-but-losing-war/d/d-id/1235068>, archived at <http://perma.unl.edu/U5SD-F8HW?type=image> (noting that despite the monetary damages awarded, Apple might want to reassess how effective its anti-Android campaign has been as Android and its supporters have out innovated Apple in recent quarters).

45. CHARLES WHITING BARKER, *MONOPOLIES AND THE PEOPLE* 91 (1889). Other sources from the same period also discuss the relationship to patents and trusts. See also *DEBATES ON TRUSTS, BETWEEN O.C. BARNER AND THE HONORABLE J.A. KOHLER* 56 (1889) (critiquing the use of intellectual property assets in the creation of trusts).
46. Steven Usselman, *Patents Purloined: Railroads, Inventors and the Diffusion of Innovation in 19th-Century America*, 32 *TECH. & CULT.* 1047 (1991).
47. Christine Macleod has identified variability in industrial development across different industries (electricity, aviation, and agricultural botany) in England between 1870 and 1930. Christine MacLeod, *Reluctant Entrepreneurs: Patents and State Patronage in New Technosciences, Circa 1870–1930*, 103 *ISIS* 328 (2012). Such variability in systems has meant that different industries “established an idiosyncratic relationship with the patent system or with other aspects of IP, which would both influence their emergent disciplines and affect the extent to which commercial enterprise could be a viable strategy.” *Id.* at 331.
48. Dan L. Burk & Mark A. Lemley, *Is Patent Law Technology-Specific?*, 17 *BERKLEY TECH. L.J.* 1155, 1159 (2002) (asserting that although patent law is industry-neutral in theory, its application is industry specific; therefore, applying different standards to similar inventions raises concerns about horizontal equity).

## 2. *Social Disruption in the Progressive Era*

Social disruption, by contrast, does not involve intra-industrial relationships. Rather, social disruption in patent law occurs when the grant and issuance of patents disrupts preexisting social relationships between the patentee and other parties that seek to access and use the material embodied in the claimed invention. The concept of social disruption in patent law is derived from an equivalent treatment of social disruption in property law. Social disruption in property law is a concept tied to an ancillary claim that suggests that formal property law and informal property customs can reinforce the social relations of a given society.<sup>49</sup> Thus, during eras of extreme change in property relations, informal property customs are often disrupted. Social practices depend on preexisting use practices that can be disrupted by a formal claim of ownership. Consequently, changes in property customs (use practices) are perceived as negative changes in social relationships.<sup>50</sup>

Conflicts over social disruption in patent law reflect this trend. A current example of social disruption in patent law is evident in the disputes over genetic patents. The patent holder's claim to own property in genetic information appears to be disruptive to the social practices that surround collaborative practices in academic practice and the relationship between health care practitioners, counselors, and their patients.<sup>51</sup>

Two preeminent kinds of social disruption occurred in the late nineteenth century and the early twentieth century in the United States. Industrial labor practices and subsequent ownership over patented work shifted significantly in the late-nineteenth-century United States. Catherine Fisk has explored how the rise of the modern corporation shifted ownership of invented goods from employees to employers and the resulting impact on patent doctrines such as trade secrets, restrictive covenants, and the work made for hire doctrine.<sup>52</sup>

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49. E.P. THOMPSON, *WHIGS AND HUNTERS: THE ORIGINS OF THE BLACK ACT* 207 (1975) ("Since property was a thing, it became possible to define offences as crimes against things, rather than as injuries to men. This enabled the law to assume, with its robes, the posture of impartiality: it was neutral as between every degree of man, and defended only the inviolability of the ownership of things.").

50. JENNIFER NEESON, *COMMONERS: COMMON RIGHT, ENCLOSURE AND SOCIAL CHANGE IN ENGLAND, 1700–1820*, at 290 (1993) (examining the legal process of enclosure and its impact on the process of common rights in open pastures).

51. Lori B. Andrews & Jordan Paradise, *Gene Patents: The Need for Bioethics Scrutiny and Legal Change*, 5 *YALE J. HEALTH POL'Y & ETHICS* 403, 407–09 (2005) (assessing the impact of genetic patents on health care practices).

52. CATHERINE FISK, *WORKING KNOWLEDGE: EMPLOYEE INNOVATION AND THE RISE OF CORPORATE INTELLECTUAL PROPERTY, 1800–1930*, at 2 (2009) (analyzing the "origins of corporate ownership of employee knowledge as a legal construct and as a business practice").

Agricultural labor practices also underwent social disruption during this era. Farmers' persistent complaints were centered on the ability to use a patent, both in concept and in practice.<sup>53</sup> Farmers particularly objected to the collection of royalty fees, in part due to the prevalence of significant fraud in the fee collection system.<sup>54</sup> This era of intense agrarian skepticism reached its fullest expression from 1870 through the early 1890s, as it became linked to the ideological, institutional, and enforcement innovations of the larger Populist movement.<sup>55</sup>

While, as recently noted by Colleen Chien,<sup>56</sup> agrarian reformers achieved only incremental statutory reform at a national level, such an analysis underrates the influence such social reform may have had on the doctrinal formation of patent law during this time. Organizationally, the Populists achieved doctrinal reform at the state level and used innovative litigation strategies to leave a lasting mark on the doctrinal development of patent law. For example, farmers involved in a number of Populist organizations in Iowa, Michigan, and Indiana funded challenges to patents associated with agricultural implements—including the barbed-wire and drive-well patents. The Supreme Court considered at least three cooperatively funded cases during this era.<sup>57</sup> Social disruption, thus, produced systematic change at the judicial level.

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53. EARL W. HAYTER, *THE TROUBLED FARMER, 1850–1990: RURAL ADJUSTMENT TO INDUSTRIALISM* 214 (1968). Hayter's work remains the fullest examination of the intersection of patent law and the Populist movement. His work, *The Troubled Farmer*, is his summary of his early work published in historical journals. See Earl W. Hayter, *Barbed Wire Fencing—A Prairie Invention: Its Rise and Influence in the Western United States*, 13 AGRIC. HIST. 189 (1939); Earl W. Hayter, *The Patent System and Agrarian Discontent, 1875–1888*, 34 MISS. VALLEY HIST. REV. 59 (1947); Earl W. Hayter, *The Western Farmers and the Drivewell Patent Controversy*, 16 AGRIC. HIST. 16 (1942); MURRAY, *supra* note 41, at 130–31 nn.14–15.

54. The Iowa Supreme Court undertook an eloquent description of these practices. See *State Bank of Indiana v. Menzer*, 100 N.W. 69 (1904); MURRAY, *supra* note 41, at 130 n.13.

55. The Populist movement in the United States is roughly characterized as a rural Southern and Western coalition that coupled significant advances in organizational politics with an ideological critique of the emergence of modern industrial markets within the United States. There has been a significant historical debate over both its ideological content and organizational strategies. See MURRAY, *supra* note 41, at 130 n.14; CHARLES POSTEL, *POPULIST VISION* 7–22 (2003) (outlining the major historical debate over defining the ideological content and scope of the Populist movement).

56. Colleen Chien, *Technology and Intellectual Property: Out of Sync or Hope for the Future?*, 23 FORDHAM INTELL. PROP. MEDIA & ENT. L.J. 619, 622–25 (2013).

57. HAYTER, *TROUBLED FARMER*, *supra* note 53, at 252 (describing the efforts of farmers to join together to fund patent challenges within the context of farm implements). The Supreme Court considered these appeals in *Andrews v. Hovey*, 124 U.S. 694 (1888) (invalidating the patent for the method of improving artesian



The social disruption of patents produced a popular critique of the formal authority embodied by patents. Again, this is consistent with a multivariate historical method, which tracks this relationship between formal and informal meaning in the law. Specifically, a popular critique contended that patents violated a public economy of relationships between patentees, competitors, and an impacted public. This public economy sought to achieve fairness between different economic actors that could be integrated into “the basic institutions and local concerns of their daily lives.”<sup>58</sup>

Improvidently granted patents and associated license practices were perceived to violate this public economy because such practices’ existence failed to promote innovation. For example, L. Frank Baum’s *Ozma of Oz* contained a pointed critique of patent law. Baum told the story of Dorothy, who discovers a copper clockwork man with a signed advertisement that notes, among other claims, that “all infringements will be promptly [p]rosecuted.” Her companion (a talking hen), comments that the clockwork man would be a “wonderful machine,” but she supposed “it is all humbug, like so many other patented articles.”<sup>59</sup> Baum’s critique reflected the manner in which popular criticism questioned the ways formal claims of ownership by patent owners were perceived to limit innovation within a larger economy.

Joshua Hill’s *Thought and Thrift: Subjects in Every Letter of the Alphabet For All Who Labor and Need Rest*,<sup>60</sup> a text directed toward what Hill refers to as “those who labor,”<sup>61</sup> contains an example of how changes in patent law were viewed as disruptive to preexisting social and competitive norms. Hill, in his discussion of patents, noted:

A very late instance of the bad effect of giving a long-term monopoly in the make and use of a simple invention is the late dividend of the Bell Telephone Company. The shares are reported to be ten dollars each, and held by rich people; nine dollars per share was declared to their holders—being out of the last six months’ earnings. The business communities—out of which this immense dividend at the rate of 180 per cent, annually was forced—charge it up in turn to their customers. The question, arises, also, are these God-given conveniences, as telegraphs, etc., as prompt, cheap, and useful as if competi-

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wells because of prior public use), and *The Driven-Well Cases*, 123 U.S. 267 (1887) (upholding the validity of a patent of improving artesian wells based on insufficient evidence of prior-use methods). See MURRAY, *supra* note 41, at 130 n.15.

58. See William Novak, *Public Economy and the Well-Ordered Market: Law and Economic Regulation in 19th-Century America*, 18 L. & SOC. INQUIRY 1, 7 (1993) (analyzing the public economy of antebellum United States); see also Axel C. Hüntelmann, *Priority, Property, and Trust: Patent Law and Pharmaceuticals in the German Empire*, 2 INTERDISCIPLINES 194, 199 (2012) (analyzing the disruptive relationship of patent law to social norms of trust and professionalism in nineteenth century Germany).

59. LYMAN FRANK BAUM, *OZMA OF OZ* 55–56 (1907).

60. JOSHUA HILL, *THOUGHT AND THRIFT: SUBJECTS IN EVERY LETTER OF THE ALPHABET FOR ALL WHO LABOR AND NEED REST* 199 (1890).

61. *Id.*

tion had never been stifled by patent rights, or as if Government owned competing lines?<sup>62</sup>

Hill's claims reflect the ways in which patents were seen as promoting the consolidation of wealth, as well as stifling competition. These harmful effects, according to Hill, violated the appropriate ways in which invention worked to secure the rights of laborers and workingmen.<sup>63</sup> Patents, under this critique, achieved other goals besides innovation; the patent system also served goals related to equality and labor. Thus, in many respects, the social harms for improvidently granted patents were correspondingly more substantial.

No doubt, a multivariate historical method helps us to view constitutional principles in intellectual property law as a response to innovative and social disruption in patent law during its modern doctrinal formation. This may be the case as well for the social-obligation principle's reemergence in the Supreme Court's jurisprudence in the last ten years. The next Part of this Article broadly considers the social-obligation principle and its role in constitutional regulation of patent law.

### III. THE SOCIAL-OBLIGATION PRINCIPLE AND THE CONSTITUTIONAL REGULATION OF PATENTS

The resurfacing of the social-obligation principle as an interpretive norm by the Supreme Court serves as evidence of its role in the constitutional regulation of patent law. Section III.A of this Part addresses the social-obligation principle and its relationship to constitutional regulation of patents. Section III.B traces how the Supreme Court gradually adopted the public-interest principle as an express social-obligation norm that was imposed on the exercise of a patent owners' rights from 1890 until 1920. Section III.C concludes with an examination of why the social-obligation principle fell out of use as a method of constitutional regulation in the 1920s and 1930s.

#### A. The Social-Obligation Principle and the Common Law Regulation of Patents

The social-obligation principle, grounded in the text of the IP Clause, answered fundamental questions in the early modern patent regime as to what the best ways were to manage the harmful impacts that arose from innovative and social disruption. The primary vehicle for this regulation was through a language of obligation that stressed that the public interest could be vindicated by placing obligations on

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62. *Id.* at 203–04.

63. *Id.*; see also Hüntelmann, *supra* note 58, at 199 (analyzing the disruptive relationship of patent law to social norms of trust and professionalism in nineteenth century Germany).

the owner to act in such a way as to best protect the public. The language of obligation served much the same purpose that the current claims of access have served in today's debates over the public's relationship to patent law; that is, as a way to frame a public critique of patents.<sup>64</sup>

The social-obligation principle assimilated the language of obligation from two key areas of the common law: contract and property law. The language of obligation, however, differed within each doctrinal area. Consequently, this language impacted the ways in which the claim of obligation was assimilated into the constitutional common law of intellectual property.

The language of obligation in contract law became the basis of a central metaphor in patent law (i.e., the patent bargain) while the language of obligation in property law became the basis for an independent social-obligation norm in property law. Constitutional regulation during the Progressive Era often therefore appears to be confusing because the language of obligation draws on these diverse sources. As discussed below, it is helpful to distinguish between each area of obligation as they reflect how the Supreme Court and lower courts addressed the problem of managing the social and innovative disruption associated with patents during this era. Notably, the strands became woven together in the late Progressive Era, to form the basis of the modern patent bargain.

The existence of the social-obligation principle is helpful in highlighting how common law performed a regulatory function in patent law during the Progressive Era. In the absence of express federal regulation to the contrary, state legislatures, state and federal courts, and ultimately the Supreme Court used the common law to regulate the innovative and social disruption that impacted patent law during this era. While statutory laws, such as the Patent Act of 1952, form the core of patent regulation, recent scholarship has emphasized the regulation of intellectual property through common law adjudication. Common law adjudication in intellectual property systems, according to Shyamkrishna Balganesh,<sup>65</sup> provides for a "cautionary, context-sensitive approach to intellectual property development."<sup>66</sup> Furthermore, as noted by Madhavi Sunder, common law adjudication permits intellectual property regulation to take into account "multiple theories and values, from fairness to freedom" and thus "can give more consideration to the complex and interrelated interests of multiple parties,

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64. Amy Kapczynski, *The Access to Knowledge Mobilization and the New Politics of Intellectual Property*, 117 YALE L.J. 804, 810 (2008) (social movements utilize the framing device of access in order to challenge the use of patents).

65. Shyamkrishna Balganesh, *The Pragmatic Incrementalism of Common Law Intellectual Property*, 63 VAND. L. REV. 1543, 1546 (2010).

66. *Id.* at 1546.

from individual rights to corporate concerns to the interests of a free and democratic society.”<sup>67</sup> The recent revival of interest in common law intellectual property law has typically examined how state judges have used the common law regulation to develop the doctrines of right of publicity, trade secret, and unfair competition.<sup>68</sup>

The usefulness of the common law, however, also extends to a *constitutional* common law of intellectual property law. The social-obligation principle was closely allied with state common law, but in many ways, also represented a constitutional common law tradition that drew inspiration from the text of the IP Clause. Its clarity as a principle was compromised, however, because its origins were muddled, as is considered below.

## **B. The Language of Obligation in the Constitutional Regulation of Patents**

### *1. The Language of Obligation in Contract Law*

Although the origins of the language of obligation in contract law lay in antebellum patent doctrine that sought to provide a theoretical basis to the modern administrative state, the Progressive Era saw a theoretical reformation. Specifically, intellectual property theorists began to emphasize a relationship of mutual obligation that coupled the patentees’ obligations with the public’s corresponding obligations.<sup>69</sup>

In his seminal treatise, *Treatise on the Laws of Patents for Useful Inventions*,<sup>70</sup> William Callahan Robinson refined the metaphor of the patent bargain to describe the relationship of mutual obligation.<sup>71</sup> Robinson claimed that, while the act of invention created a basic property right in the inventor,<sup>72</sup> governmental recognition of the patent privilege served to reward and incentivize inventors. Therefore, in exchange for this privilege, the patentee was obliged to engage in certain

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67. Madhavi Sunder, *Trade Secret and Human Freedom*, in *INTELLECTUAL PROPERTY AND THE COMMON LAW* 350 (Shyamkrishna Balganesh ed., 2013).

68. See generally *INTELLECTUAL PROPERTY AND THE COMMON LAW*, *supra* note 67.

69. WILLIAM CALLAHAN ROBINSON, *TREATISE ON THE LAW OF PATENTS*, VOL. I, at 31 (1890). Robinson cites the following cases as early examples of the metaphor of the patent bargain: *Blanchard v. Sprague*, 3 F. Cas. 648 (D. Mass. 1839) (No. 1518); *Ames v. Howard*, 1 F.Cas. 755 (D. Mass. 1833) (No. 326); *Whitney v. Emmett*, 29 F. Cas. 1074 (E.D. Pa. 1831) (No. 17,585).

70. *Id.* Robinson’s refinement of the patent metaphor can be compared to contemporary patent treatises prepared during the same era. To understand his innovative theory, compare GEORGE TICKNOR CURTIS, *A TREATISE ON THE LAW OF PATENTS FOR USEFUL INVENTIONS, AS ENACTED AND ADMINISTERED IN THE UNITED STATES* xxii–xxiv (1st. ed. 1849).

71. *Id.* at 37.

72. *Id.* at 52–58.

acts to effectively claim the invention.<sup>73</sup> This insight is not particularly different from the previous characterizations of the patent bargain, but Robinson refined the metaphor of the patent bargain by stressing that the patent holder had a duty to disclose the full content of the patented invention through the specification and the claims.<sup>74</sup> Robinson, thus, centered his theory on the *obligation* of the patent holder.

In particular, Robinson stressed that the patent bargain involved two acts of obligation: (1) “that the inventor, having made such an invention as is he entitled to the patent privileged must communicate it to the public by publishing an accurate description of its character and its uses” and (2) “that the public, having received from the inventor this communication, must thenceforth, during the period for which it was granted, protect him in the exclusive use of the invention so described.”<sup>75</sup> The specified obligation of the patentee, therefore, becomes one of disclosure; Robinson continues that the obligation of the patentee is to fully communicate the invention to the public.<sup>76</sup> The specified obligation of the public, by contrast, is a mere recognition of the patentee’s exclusive right.<sup>77</sup>

Robinson’s view of mutual obligation, however, is a complex one. On the one hand, his claim of the patentee’s obligation was an important link in developing a theory of specified constitutional harm in patent law. Robinson intended this claim of mutual obligation to be grounded in the language of the IP Clause. For example, Robinson cited to *Kendall v. Winsor*, in which the Supreme Court specifically invoked the IP Clause as the source of a policy norm within constitutional interpretation.<sup>78</sup> On the other hand, the theory of mutual obligation framed the public rights as a passive act. Once the patent was granted, the public ability to challenge it as improvidently granted was essentially foreclosed. Obligation theory, however, heightened the importance of examination as a central act within the patent bargain.

The language of obligation in contract law became central to the concept of the patent bargain. Use of the language of obligation within contract law, however, was problematic insofar as promissory obligations bind only those parties designed to arise out of promises

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73. *Id.* at 60–61.

74. *Id.* at 61.

75. *Id.*

76. *Id.* at 62.

77. *Id.* at 61.

78. *Kendall v. Winsor*, 62 U.S. 322, 328 (1858) (“[T]he inventor who designedly, and with the view of applying it indefinitely and exclusively for his own profit, withholds his invention from the public, comes not within the policy or objects of the Constitution or acts of Congress. He does not promote, and, if aided in his design, would impede, the progress of science and the useful arts.”).

made by parties to a given contract.<sup>79</sup> By definition, then, the patentee owed no obligation to a generalized public, even if the patent may have caused substantial harm to the interests of the public.

Initially, the Supreme Court attempted to address this question by striking individual contracts between patentees and licensees as potentially unconscionable. For instance, in 1892, in *Pope Manufacturing Co. v. Gormully*<sup>80</sup> the Supreme Court affirmed a district court's refusal to provide equitable relief of specific performance to a license arrangement that included a number of unsatisfactory terms (for example, the patent owner bound the licensor from disputing the validity of unrelated patents and required the patentee to assist any infringement suits as to the unrelated patents).<sup>81</sup> The Supreme Court noted that the license agreement was "so unique a contract"<sup>82</sup> that "we have found some difficulty in assigning to it its proper place among legal obligations."<sup>83</sup>

Nevertheless, the Court invalidated the disputed contract. While noting that the license at issue was not unfair to the licensee,<sup>84</sup> the contract harmed a broader public that needed to be protected from the existence of invalid patents.<sup>85</sup> The Court stressed the following:

It is important to the public that competition should not be repressed by worthless patents, as that the patentee of a really valuable invention should be protected in his monopoly; and it is a serious question whether public policy permits a man to barter away beforehand his right to defend against unjust actions or classes of actions, though, in an individual case, he may doubtless assent that a judgment be rendered against him, even without notice.<sup>86</sup>

This passage reveals the core tension of *Pope* insofar as the opinion conflated two potential harms: the harm to the public resulting from an improvidently granted patent and the harm of an unfair contract that limits party autonomy. The private harm suffered by the licensee is conflated with public harm suffered by the public. *Pope* is both innovative precedent in contract law and problematic precedent in patent law. In contract law, *Pope* is praised for its central role in the development of the doctrine of unconscionability and for its attempts

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79. CHARLES FRIED, *CONTRACT AS PROMISE: A THEORY OF CONTRACTUAL OBLIGATION* 132 (1981).

80. 144 U.S. 224 (1892).

81. *Id.* at 232.

82. *Id.* at 233.

83. *Id.*

84. *Id.* at 234 ("But, if one should agree for a valuable consideration that he would set up no defense to any action which another might bring against him, and such other person might enter up judgment against him in any such [sic] action without notice, we think that no court would hesitate to pronounce such an agreement invalid.").

85. *Id.*

86. *Id.*

to regulate the fairness of bargaining relationships between contracting parties.<sup>87</sup>

Until recently,<sup>88</sup> *Pope* has not been studied as a patent case. In many respects, its posture is a garden-variety contract dispute before a state court rather than a case before the Supreme Court.<sup>89</sup> *Pope*, however, in some respects, is an important case within the doctrinal formation of constitutional patent law. *Pope* is important for what it lacks: a participatory vocabulary that rests in a theory of patent law and its relationship to public authority. Despite its sense that the existence of potentially invalid patents may be harmful to public interests, one specific party, the licensee, suffers the actual harm.<sup>90</sup> The public harm, therefore, is relatively undifferentiated. Despite its theoretical limitations, *Pope* suggests an important procedural vehicle for reforming the harm caused by the patentee's actions: namely, that the Court could refuse the equitable relief sought—specific performance—because of the unfairness of upholding this particular contract.

It is therefore useful to the precedent of the late Progressive Era, which actively managed to link the language of mutual obligation to a theory of constitutional harm. A theory of mutual obligation supposed that a constitutional harm occurred when the patentee failed to uphold the obligation to properly disclose the content of the invention.

The Supreme Court proved receptive to this characterization of mutual obligation within patent law. For example, in *Minerals Separation, Ltd. v. Butte & Superior Mining Co.*,<sup>91</sup> the Supreme Court reversed and remanded a lower court's construction of a claim because the disputed claims were indefinite and failed the written description requirement.<sup>92</sup> In *Mineral Separation*, the Court noted that when categories of patents relied heavily on the work of pioneer patents, those patents should be "construed strictly, but candidly and fairly to give to the patentees the full benefit, but not more, of the disclosure of their discovery which is to become a part of the *public* stock of knowledge

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87. See Clinton A. Stuntebeck, *The Doctrine of Unconscionability*, 19 ME. L. REV. 81, 81 (1967).

88. Megan M. La Belle, *Patent Law as Public Law*, 20 GEO. MASON L. REV. 41, 62–63 (2012) (discussing *Pope* decision within the context of the doctrine of licensee estoppel).

89. The Supreme Court's jurisdiction in this case is based on two jurisdictional claims; its subject-matter jurisdiction over patent law and its ability to consider claims in equity. See EDWARD PURCELL, JR., BRANDEIS AND THE PROGRESSIVE CONSTITUTION 52 (2000) (discussing the equitable jurisdiction during this era).

90. Subsequent case precedent that relies on *Pope* suggests that it served as precedent to limit the contractual obligations of patentees during the Progressive Era.

91. 250 U.S. 336 (1919); *Hoe v. Miehle Printing Press & Mfg. Co.*, 141 F. 112, 117 (C.C.S.D.N.Y. 1905) ("It is a fundamental rule that a patentee is required to point out in his claim the exact nature of his invention, so that public can clearly know what he claims, and can avoid infringement.").

92. *Minerals Separation*, 250 U.S. at 349–50.

upon the expiration of the *patent* period, and which was the consideration for the grant to them of a patent monopoly.”<sup>93</sup> The Court also wrote that such a requirement was consistent with the primary statutory requirements of the Patent Act of 1870, as well as previous precedent, which stressed that the core obligation of the patentee was disclosure.<sup>94</sup>

When we compare *Mineral* to *Pope*, we see the remarkable shift in the language of obligation during the Progressive Era. The language of obligation in *Pope* is squarely within the doctrinal scope of contract law. *Mineral Separation*, on the other hand, attempts to reframe the language of mutual obligation into the contours of patent law. The language of mutual obligation as a contract between two parties—the patent bargain—is distinct from the language of obligation grounded in property law. First, the patent bargain language disregards a patent as a property right. Second, the mutual obligation contained within patent law, unlike the corresponding language of obligation in property law, was not an accessible metaphor for public discourse on the costs of patents. The metaphor of the patent bargain posited that the public demands would be satisfied by the government’s intervention rather than the independent needs of the corresponding public. In that respect, the metaphor of patent bargain dovetailed with the institutional predilections of the interest groups of inventors, lawyers, and regional interests that formed the core of the epistemic “patent” community in the United States during the nineteenth century.<sup>95</sup>

## 2. *The Language of Obligation in Property Law*

### a. *Its Theoretical Origins*

In many ways, property law, unlike contract law, provided a more accessible metaphor for defining the scope of the public rights within the modern patent regime. The language of obligation in property law provided a way to critique patent holders for their failure to act fairly within the public economy of patentees, competitors, and an impacted public. Thus, the language of obligation in patent law became a way to explore the social disruption caused by patent practices.

This language of obligation in patent law resembles a rich communitarian vocabulary in property law that places restraint upon the claims of the property owner. Gregory Alexander and others claim that a social-obligation norm exists in property law. At a basic level, the social-obligation norm suggests that “property rights are inherently relational . . . [and thus] owners necessarily owe obligations to

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93. *Id.* at 346 (emphasis added).

94. *Id.* at 347.

95. Morriss & Nard, *supra* note 34 (discussing the importance of interest groups within the development of statutory law during the nineteenth century).



others.”<sup>96</sup> Thus, Gregory Alexander<sup>97</sup> proposes that any number of doctrines in the United States reflect a social-obligation principle, which presupposes, in its weakest form, that property owners may not act to harm social interests,<sup>98</sup> and in its strongest form, that “an owner is morally obligated to provide to the society of which the individual is a member those benefits that society reasonably regards as necessary for human flourishing.”<sup>99</sup> Alexander identifies a number of property theories that reflect the social-obligation norm in U.S. property law, including eminent domain, nuisance, historic preservation, and environmental regulations.<sup>100</sup> Alexander posits that the social-obligation principle existed in intellectual property law within the context of the compulsory licenses regime.<sup>101</sup>

Alexander’s search for a social-obligation principle in U.S. patent law, however, does not have to reach so far as compulsory licensing. Rather, the social-obligation principle in patent law incorporates the social-obligation norm identified by Alexander into constitutional patent law. Judges gave legal meaning to the social obligation principle, by using the language of the IP Clause that referred to the congressional responsibility to “promote the science and useful arts” to refer broadly to the patentee’s social obligation to others.

The use of the principle depended on judicial recognition of the constitutional property tradition for its existence, while at the same time serving as an independent critique of that tradition. Adam Mossoff has contended that a constitutional common law tradition existed in the late nineteenth century, which treated patents as “conceptually equivalent” to common law property entitlements, with similar rights of possession, use, and disposition.<sup>102</sup> Mossoff claims that this constitutional intellectual property law drew its authority from the recognition of private property contained within the Fifth and the Fourteenth Amendment.<sup>103</sup>

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96. Alexander, *supra* note 9, at 747–48.

97. *Id.* at 754–55.

98. *Id.* at 754.

99. *Id.* at 774.

100. *Id.* at 775–801.

101. *Id.* at 812.

102. Mossoff, *supra* note 7, at 720–21. Conflicts over the constitutional property tradition in the late nineteenth century evolved out of use conflicts—that is, the patent owner’s affirmative right to use the patent and to prevent others from using that patent. The claim that the patentee had an affirmative right to use derived both from a standardized claim that common law patent included the affirmative right to use and its narrower statutory embodiment in Section 22 of the Patent Act of 1870, which stated that a patent grant permitted “the patentee, his heirs or assigns, for the term of seventeen years, of the exclusive right to make, use and vend the said invention or discovery throughout the United States.” Patent Act of 1870, ch. 230, 16 Stat. 198, 202.

103. Mossoff, *supra* note 7, at 696.

The claim that a patent is constitutional property that qualifies for compensation under the Fifth Amendment has been a controversial one. The debate presents a binary choice: one agrees that a patent is type of property and therefore subject to minimal regulation, the other that the patent is a monopoly and therefore subject to extensive regulation.<sup>104</sup> The existence of the social-obligation principle, however, suggests a more complex view of regulation within the constitutional property tradition. The language of obligation recognizes that, while a patent may exist as a type of constitutional property, such recognition does not necessarily preclude that a patent—like any other type of property—may be regulated so as to restrain its impact on others.

Specifically, judicial use of the social-obligation principle stressed that even if a patent may exist as a type of constitutional property, it did not necessarily preclude the possibility that a patent, like any other type of property, could be restrained if the use of the patent could cause innovative or social disruption. As discussed below, the social-obligation principle emerged into two phases: initial innovation at the state level to restrain licensing and use practice, and the controversial response at the federal appellate level.

*b. The Social-Obligation Principle and State Regulation*

Reconstructing patent doctrine as a response to social and innovative disruption reveals the importance of state common law in forming the basic foundations of patent regulation. A social-obligation principle in patent law emerged as a result of judicial and legislative innovation in the Midwest in response to the pressure exerted by state-level populists. Earl Hayter identified three primary problems for social movements such as populism: (1) the ability of “patent rings” to purchase what were termed “bottom” patents, and to extend their life indefinitely through reissue or congressional fiat;<sup>105</sup> (2) the existence of interlocking patents on a number of different products;<sup>106</sup> and (3) the ability of the patentee to sue multiple downstream users on licensed patented products.<sup>107</sup>

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104. See, e.g., Davida H. Isaacs, *Not All Property Is Created Equal: Why Modern Courts Resist Applying the Takings Clause to Patents, and Why They Are Right to Do So*, 15 GEO. MASON L. REV. 1, 6 (2007) (arguing that Congress provides patent rights solely “because it has concluded that the benefits of exclusivity outweigh the harm done from forcing society to endure monopoly profits. As a result, a patent is like any other federally granted benefit, and therefore legislative change that diminishes its value does not trigger the right to Takings Clause compensation.”).

105. HAYTER, *THE TROUBLED FARMER*, *supra* note 53, at 213.

106. *Id.* at 214.

107. *Id.* at 215.

Between 1870 and 1890, at least 14 state legislatures, including Indiana,<sup>108</sup> Ohio,<sup>109</sup> Pennsylvania,<sup>110</sup> New York,<sup>111</sup> Arkansas,<sup>112</sup> Tennessee,<sup>113</sup> Minnesota,<sup>114</sup> Wisconsin,<sup>115</sup> Iowa,<sup>116</sup> Nebraska,<sup>117</sup> and Kansas,<sup>118</sup> attempted to control these practices by requiring patentees, assignees, and peddlers to either acquire a license for sale of the patented product or register the patent itself in the local land registry. Kansas' 1889 regulation offers an example of these statutes. Section 167 made it "unlawful for any person to sell or barter or offer to sell or barter any patent right, or any right which such person shall allege to be a patent right, in any county within this state without first filing with the clerk of the district court of such county copies of the latter patents duly authenticated."<sup>119</sup>

These acts deliberately treated patents as property, an apparent victory for those who would claim that patents are property. This treatment, however, was not to *empower* patent owners but to *limit* patent owners by permitting local and state entities to exercise police power over the sale and license of patented products. Again, this suggests that we have to treat property discourse within patent law with care insofar as the claim that a patent is property does not preclude myriad regulations to limit its boundaries.

From 1890 until 1905, at least twelve state high courts considered the ability of state legislatures to regulate the patents through this type of statute.<sup>120</sup> A typical case upheld the legislatures' ability to

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108. IND. CODE. Ch. 92 § 6054 (1881).

109. Ohio, 66 O.L. 93 (1889); OHIO REV. CODE. § 53 (1877).

110. Act of April 12, 1872, P.L. 60 §§ 1-2 (1872).

111. N.Y. STAT. Ch. 65 § 2 (1877).

112. Arkansas, Sand. & H. Dig. § 493-96.

113. TENN. CODE. ANN. § 576 (1884).

114. MINN. STAT. §§137(1)-139(3) (1871).

115. WIS. STAT. §1573 (1870), *amended by* WIS. STAT. §1570 (1889).

116. IOWA CODE § 1 (1876).

117. NEB. REV. STAT. Ch. 53 §§ 1-2, 5 (1873).

118. KAN. STAT. ANN. § 167 (1889).

119. *Id.*

120. Including Kansas as referenced above, at least twelve states upheld these categories of regulations. *See, e.g.,* Wyatt v. Wallace, 55 S.W. 1105, 1107 (Ark. 1900) ("This act is plain and emphatic. The note sued on in this case was void for non-compliance with section 493 of the statute quoted above. The note could not be the basis of recovery in this suit. As an evidence of indebtedness, it was void, under section 493. The judgment is affirmed."); Brechbill v. Randall, 1 N.E. 362 (Ind. 1885) ("In our opinion the statute is valid, for the reason that in enacting it the legislature exercised a police power resident in the state. The power to make police regulations for the protection of its citizens against fraud and imposition is not taken from the states by the federal constitution, or by any national statute. It has, indeed been authoritatively settled that the national legislature cannot exercise police powers for the protection of the inhabitants of a state. This is a domestic matter, to be governed and regulated by state law."); Tod v. Wick Bros. & Co., 36 Ohio St. 370, 377 (1881) ("If the legislature may, and does undertake

regulate patents as property under states' police powers as derived from the Tenth Amendment.<sup>121</sup> The Massachusetts Supreme Judicial Court advanced the fullest articulation of the state's police power to regulate patentee behavior in *In re Opinion of the Justices*.<sup>122</sup> This

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restrictions upon negotiability to this extent, then the use of such paper in terms negotiable must tend to defraud the rights of some one, either that of the maker or that of the indorsee [sic], and this may be met by prohibitions and penalties. That such power exists somewhere cannot be denied. That it exists in our legislature, in the absence of positive restriction upon it, is equally clear."); *Haskell v. Jones*, 86 Pa. 173 (1878) ("All who take with notice of the consideration, take necessarily subject to the same defence. There is nothing in all this which interferes with any just right of the holder of a valid patent under the Acts of Congress, nor that the maker of the note shall be permitted to show against a holder with such notice that it was obtained by fraudulent misrepresentation. This very plainly distinguishes our act from the statutes of other states, which have been held unconstitutional."); *State v. Cook*, 64 S.W. 720, 722 (Tenn. 1901) ("These statutes are also sustainable as valid police regulations, having been passed in good faith for the real promotion of the public welfare, and being well calculated to accomplish that end through the fair and much needed protection thereby afforded against imposition and fraud, so often and so easily perpetrated in the sale of the peculiar incorporeal right, or intangible property, contemplated."). At least five states did not uphold these regulations. See *Hollida & Ball v. Hunt*, 70 Ill. 109, 113 (1873) ("The right to vend, guaranteed by the general government to patentees, is to traffic and sell with the same freedom that may be exercised in regard to any and all other property, according to the common and usual course of trade and business, and whatever tends to prevent this, necessarily tends, to that extent, to destroy the right granted."); *Cranson v. Smith*, 37 Mich. 309, 311–12 (1877) ("The subject of granting patents and regulating the rights of patentees has been placed by the Constitution of the United States in the control of Congress. It is for that body alone to determine to whom and on what conditions they shall be granted and how the patented privileges are to be transferred or disposed of. Where any right or privilege is subject to the regulation of Congress it is not competent for State laws to impose conditions which shall interfere with the rights or diminish their value. In those cases where the congressional power is lawfully exercised, it is supreme. In the absence of any policy to the contrary the transfer of such rights may follow, as it usually does, the State rules applicable to similar property, as to sales or inheritances. But any attempt to discriminate against it is a direct invasion of the authority of the United States, and is invalid."); *Wilch v. Phelps*, 14 Neb. 134, 15 N.W. 361, 362 (1883) ("From an examination of the authorities it seems to have been quite uniformly held, not only by the courts of the United States but by those of the several states as well, that this provision has the effect of prohibiting the enactment of state statutes affecting injuriously the assignment or transfer of rights secured by letters patent, or the sale of patented articles. That the interest or privilege given and secured by a patent is a property right admits of no doubt. Being a property right, the patentee is protected in its enjoyment by the paramount law."); *State v. Lockwood*, 43 Wis. 403 (1877) ("It is not improper, however, to say that if the validity of ch. 140 of 1872 were properly before it, this court would be very much disposed to follow the ruling of the supreme [sic] court of Michigan in *Cranson v. Smith*, 5 Cent. L. J., 386, and hold the statute to be an invasion of federal authority, and therefore void.").

121. U.S. CONST. amend. X.

122. 81 N.E. 142, 147 (Mass. 1907).

opinion, issued by the Court on request of the legislature, held that a statute proposed before the Massachusetts legislature, which sought to regulate conditional licenses on farming implements, was a proper exercise of state power under the Tenth Amendment. The Court held that the legislature's exercise was appropriate, stating:

[T]he patentee's right is a monopoly in the invention; but it does not protect from state legislation any monopoly in other commercial ventures which the owner of the patent may attempt to establish or maintain. But such legislation as that of which we are speaking could have no further operation than to prevent the holder of such a monopoly (which is beyond the control of the Legislature) from extending his power to the creation of other and further monopolies which have not been granted to him by any federal authority, and which we think that the Legislature under its general authority has the power to prohibit. The federal government cannot exercise the police power for the protection of the inhabitants of a state.<sup>123</sup>

Likewise, the Supreme Court of Kansas in *Mason v. MacLeod*<sup>124</sup> asserted that the ability to regulate patents derived from its ability to "police regulations for the protections and security of its citizens, and that regulations like ours, which are mainly designed to protect the people from imposition by those who have actually no authority to sell patent rights, or own patent rights to sell, should be upheld."<sup>125</sup>

*McLeod* is representative insofar as it reflects the ways in which the emerging social obligation principle served radical ends during the Progressive Era. The existence of the social-obligation principle recognized that while the patent owner had property claims, those claims were embedded within a network of obligations to specific communities. It is no coincidence that state and local governments originated initial regulation of patents based on obligation. In many respects, it suggests property doctrines served what Gary Berk identifies<sup>126</sup> as a *syncretic* function that served to assimilate popular concerns over patents into a preexisting regulatory framework. Thus while the language of property law appears to be inherently conservative, here the vocabulary of obligation served radical ends insofar as it helped a range of actors assimilate the consequences of innovative and social disruption in patent practice within preexisting doctrine.

The Supreme Court permitted the continued existence of this diverse state regulation. In *Allen v. Riley*,<sup>127</sup> the Supreme Court held that states enjoyed independent police power under the Tenth Amendment to regulate patents as property, concluding that "[t]he state has the power (certainly until Congress legislates upon the subject) with

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123. *Id.*

124. 45 P. 76, 77 (Kan. 1896).

125. *Id.* at 77.

126. This conception of the syncretic public interest draws on the notion of creative syncretism examined by Gary Berk in *LOUIS D. BRANDEIS AND THE MAKING OF REGULATED COMPETITION 1900–1932*, at 15 (2009).

127. 203 U.S. 347 (1906).

regard to the provision which shall accompany the sale or assignment of rights arising under a patent, to make reasonable regulations concerning the subject, calculated to protect its citizens from fraud.”<sup>128</sup> *Allen* thus, recognized the ways in which the language of obligation became incorporated into state regulation as a means to respond to the social disruption caused during the Progressive Era.

*Allen*, by upholding state claims based on asserted police powers under the Tenth Amendment, interpreted the IP Clause within its relationship to enumerated rights contained in the Bill of Rights. Ultimately, however, *Allen* demonstrated the limits of using state law as the primary basis for imposing obligations on the patent holder. State laws disrupted the centrality of the IP Clause as the primary constitutional vehicle for resolving disputes over patentee practices in two ways. First, *Allen* attempted to create a corollary state control over patent law that resembled the significant state control over antitrust development during the same era.<sup>129</sup> This ultimately proved unsuccessful, however, as *Allen* has not typically been used in subsequent cases pertaining to states’ authority to regulate intellectual property.<sup>130</sup> Second, *Allen* also speaks to limits of imposing social-obligation norms through state regulation. Because the goals of the social-obligation principle were largely communitarian, such regulation appeared to be diffuse in light of the ideological weight associated with the inventor’s claim. State regulation thus proved to be a rather indirect way to solve the social harms caused by the actions of a patentee.

*c. The Social-Obligation Principle as Constitutional Social-Obligation Norm*

State regulation of patents through a social-obligation principle did not depend on the IP Clause. Rather, such regulation relied on a state’s ability to regulate property as an element of its police powers under the Tenth Amendment. By contrast, the social-obligation principle grounded its theory of regulation in the words of the IP Clause itself. The use of the text of the IP Clause was not organic, but rather emerged within the jurisprudence over a period of thirty years, from roughly 1890 until 1920. Four cases—one appellate court holding, *Heaton-Peninsular Button-Fastener Co. v. Eureka Specialty Co. (The Button-Fastener Case)*,<sup>131</sup> and three Supreme Court cases, *Continen-*

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128. *Id.* at 355.

129. See, e.g., James May, *Antitrust Practice and Procedure in the Formative Era: The Constitutional and Conceptual Reach of State Antitrust Law, 1880–1918*, 135 U. PENN. L. REV. 495 (1987) (examining the relationship of state experimentation in the area of antitrust law and the constitutional response).

130. See *Bonito Boats v. Thunder Craft Boats*, 489 U.S. 141 (1989); *Sears, Roebuck & Co. v. Stiffel Co.*, 376 U.S. 225 (1964); *Compco Corp. v. Day-Brite Lighting, Inc.*, 376 U.S. 234 (1964).

131. 77 F. 288 (6th Cir. 1896).

*tal Paper Bag Co. v. Eastern Paper Bag Co.*,<sup>132</sup> *Henry v. A.B. Dick Co. (A.B. Dick)*,<sup>133</sup> and the reversal of *A.B. Dick* in *Motion Picture Patents Co. v. Universal Film Manufacturing Co.*,<sup>134</sup>—represent the evolving debate over the existence of this doctrine.

These cases are typically considered to be within the scope of the patent misuse doctrine, which holds a patent unenforceable when the patentee engages in unjust behavior in order to maintain the patent.<sup>135</sup> Commentary on these cases stresses their anomalous nature, as they fit neither the goals of antitrust law nor patent law.<sup>136</sup> These doctrines achieve coherence, however, if understood as an ongoing struggle to control the behavior of the patentee by imposing a constitutional social-obligation norm.

The earliest of these cases, *The Button-Fastener Case*,<sup>137</sup> is a seminal case in how to regulate by imposing a social responsibility on the patent holder. The procedural history of *The Button Fastener* case offers two perspectives on how to manage this social and innovative disruption through the lens of a social obligation norm. Significant disagreement existed between the district court and the appellate court over how to weigh the patentee's property right against the patentee's obligations to others.

The district court below held that the patentee could not place conditions of use on subsequent licensees.<sup>138</sup> It stressed that such conditional licenses should be disfavored in light of their impact on a multiplicity of users, as well as the ability of such licenses to diminish the public domain.<sup>139</sup> In doing so, the district court commented:

[I] am persuaded that the patentee's privilege has its limitations, in the rights and interests of the public, and that it is an abuse of his privilege to so shape his dealings with his patent as to secure a monopoly upon an unpatented article. It is hard to foresee to what extent such schemes might be carried, if patents can practically be broadened so as to gather in a multitude of subjects

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132. 210 U.S. 405 (1908).

133. 224 U.S. 1 (1912).

134. 243 U.S. 502, 518 (1917).

135. The defense of patent misuse focuses primarily on the patentee's behavior in expanding the scope of its rights beyond the statutory patent grant. A patent owner has misused his patent if he has "impermissibly broadened the 'physical or temporal scope' of patent grant with anti-competitive effect." *Windsurfing Int'l v. AMF, Inc.*, 782 F.2d 995 (Fed. Cir. 1986) (quoting *Blonder-Tongue Labs., Inc. v. Univ. of Ill. Found.*, 402 U.S. 313, 343 (1971)).

136. Christina Bohannon, *IP Misuse as Foreclosure*, 96 IOWA L. REV. 475, 476 (2011).

137. 77 F. 288 (6th Cir. 1896). The license at issue stated the following: "This machine is sold and purchased to use only with fasteners made by the Peninsular Novelty Company, to whom the title to said machine immediately reverts upon violation of this contract of sale." *Id.* (internal quotation marks omitted).

138. *Heaton-Peninsular Button-Fastener Co. v. Eureka Specialty Co.*, 65 F. 619, 621-22 (C.C.D. Mich. 1895), *rev'd*, 77 F. 288 (6th Cir. 1896).

139. *Id.*

now and always hitherto free from monopoly. The perversion is complete in the instance of the present case.”<sup>140</sup>

The district court’s language reflected two themes that mark the emergence of the social-obligation principle. First, the district court proposed a reciprocal relationship between the patentee’s rights and the “rights and interests” of the public.<sup>141</sup> The constitutional norm of the social-obligation principle grounds the “rights and interests” of the public in the language of the IP Clause. Second, the district court insinuated that licensed patents disrupt moral relationships between the patentee, competitors, and consumers that are central to a functional economy. The opinion was threaded through with language of morality, stressing terms such as *abuse*, *free* and *perversion*.

The U.S. Court of Appeals for the Sixth Circuit (“the Sixth Circuit”) reversed the district court and held that that patentee could condition the sale of a patented machine on the use of an unpatented item and, therefore, an infringing act occurred when a licensor used the patented machine without the patented item.<sup>142</sup> The Sixth Circuit’s holding in *The Button-Fastener Case* demonstrated the basic elements of the constitutional property tradition. In a majority opinion authored by then-Judge Horace Lurton, the court emphasized that the grant of a patent is a “true and absolute monopoly” that exists in “derogation of the common right,” and thus “this right to monopolize the use of the invention or discovery is the substantial property right conferred by law, and which the public is under obligation to respect and protect.”<sup>143</sup>

The court, however, then stressed that the property right of the patent holder could be subjected to regulation because:

The property right of a patentee is, after all, but a property right, and subject, as is all other property, to the general law of the land. We may also concede that contracts respecting the use of inventions and discoveries are, like all other contracts, subject to the limitations imposed by definite principles of public policy.<sup>144</sup>

This passage in *The Button-Fastener Case* is revealing in two ways. First, the Sixth Circuit would restrict a patent under those circumstances in which, for instance, a conditional license operated in a manner similar to a “common carrier” such as a telephone company,<sup>145</sup> or

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140. *Id.* at 621.

141. *Id.*

142. *The Button-Fastener Case*, 77 F. at 290.

143. *Id.* at 291.

144. *Id.* at 292–93.

145. *Id.* at 293 (citing *Missouri v. Bell Tel. Co.*, 23 F. 539, 541 (C.C.D. Mo. 1885)) (“So, my conclusion is that, notwithstanding the terms of this license, which seem to inhibit it from dealing or giving its telephonic privileges to any other telegraph company than the Western Union, the moment it established its telephonic system here, that moment it compelled itself to respond to the demands of any tele-



when a patent causes harm to a user.<sup>146</sup> Second, the Sixth Circuit's opinion also emphasized a theory of obligation grounded in contract law, exposing the ways in which the two strands of obligation could exist simultaneously during the Progressive Era.

The dialogue between the two courts in *The Button-Fastener Case* reveals the complex theories of regulation at play within the constitutional property tradition. The district court adopted a far more radical critique of patent regulation, one that was vested in claiming a rights-based regulation of patents, while the Sixth Circuit advanced a more conservative claim that patents would be regulated within "public policy" limits similar to the "common carrier" exception to trespass claims in property.<sup>147</sup>

The basic doctrinal framework Judge Lurton outlined in *The Button-Fastener Case*, a strong property right within a constrained—but not necessarily enervated<sup>148</sup>—regulation of the property right, proved to be influential. Judge Lurton, later appointed to the Supreme Court, authored *A.B. Dick*. Judge Lurton's majority opinion in *The Button-Fastener Case* formed the basis of the Supreme Court's opinion in *Bement v. National Harrow Co.*,<sup>149</sup> where the Court held that a patent owner did not violate the Sherman Antitrust Act if the patent owner imposed reasonable conditions of the manufacture and sale of a patented item.<sup>150</sup>

*The Button-Fastener Case* also influenced *Continental Paper Bag Co.*, in which the Court held that the patentee had the exclusive right "not to use" the patent, even if such nonuse had the incidental effect of suppressing a competitive market.<sup>151</sup> In *Continental Bag*, the Supreme Court affirmed the holding of the First Circuit.<sup>152</sup> *Continental Bag* is a standard opinion within the constitutional property tradition.

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graph company or any individual in the city tendering to it equal pay for equal privileges.").

146. *Id.* at 293–94.

147. Joseph Singer, *No Right to Exclude: Public Accommodations and Private Property*, 90 NW. U. L. REV. 1283, 1303–12 (1996) (examining the regulatory responsibilities of common carriers).

148. WILLIAM J. NOVAK, *THE PEOPLE'S WELFARE: LAW AND REGULATION IN NINETEENTH-CENTURY AMERICA*, at ix (1996).

149. 186 U.S. 70, 91 (1902) ("Notwithstanding these exceptions, the general rule is absolute freedom in the use or sale of rights under the patent laws of the United States. The very object of these laws is monopoly, and the rule is, with few exceptions, that any conditions which are not in their very nature illegal with regard to this kind of property, imposed by the patentee and agreed to by the licensee for the right to manufacture or use or sell the article, will be upheld by the courts. The fact that the conditions in the contracts keep up the monopoly or fix prices does not render them illegal.").

150. *Id.* at 93.

151. *Cont'l Paper Bag Co. v. E. Paper Bag Co.*, 210 U.S. 405, 432–34 (1908).

152. *Cont'l Paper Bag Co. v. E. Paper Bag Co.*, 150 F. 741 (1st Cir. Me. 1906), *aff'd*, 210 U.S. 405.

However, the dissenting opinion, authored by district court Judge Edgar Aldrich, is remarkable as it marked the first time the IP Clause was used to support a social-obligation principle.

Judge Aldrich<sup>153</sup> initially treated a patent as equivalent to real property.<sup>154</sup> Judge Aldrich, however, contended that the nonuse of a patent violated the IP Clause. According to Judge Aldrich, the constitutional purpose of patents was not simply to encourage the individual property owner, but also to “encourage invention in the interests of general business and of the public,”<sup>155</sup> and that nonuse of a patent violated that constitutional purpose.<sup>156</sup> Judge Aldrich interpreted the terms of the IP Clause “[t]o promote the progress of science and useful arts” as a limiting principle, insofar as the phrase suggested that the Constitution “intended to stimulate art and invention under competitive conditions.”<sup>157</sup> Judge Aldrich contended that nonuse of patents violated the public interest by stifling competition, “forc[ing] trade into unnatural channels,” and thus, “offend[ed] public policy, the conscience of equity and the spirit and intention of the law upon which the legal right is founded.”<sup>158</sup> Judge Aldrich’s opinion marks the true emergence of the social-obligation norm in constitutional property law: a theoretical corollary of the common law conception of property grounded in the text of the IP Clause.

### C. The Modern Patent Bargain: Synthesizing the Social-Obligation Principle

The utility of this social-obligation principle became a contested element in the jurisprudence of the Supreme Court in the ten years following the *Continental Bag* decision. The two doctrinal lineages, contract and property law, merged into the metaphor of the patent bargain. The Supreme Court began to tie the claims embodied in the social-obligation principle into the statutory regime of patent law rather than the constitutional common law regime. Thus, the existing obligations of the patent owner were to be defined in light of their statutory responsibilities to disclose the content of the patent and associated invention. This was a departure rather than more subjective expectations of obligation that formed the previous jurisprudence.

The assimilation of the social-obligation principle into the metaphor of the patent bargain depended on two events. First, the constitutional patent tradition came under attack after the Supreme Court’s

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153. *Id.* at 752 (Aldrich, J., dissenting).

154. *Id.* at 755.

155. *Id.* at 745.

156. *Id.*

157. *Id.* at 746.

158. *Id.* at 745.

decision in *A.B. Dick Co.* in 1912.<sup>159</sup> Second, Supreme Court jurisprudence came to emphasize the centrality of statutory law in patent law at the expense of constitutional common law. A synthesized social-obligation principle emerged in response to these events in *Motion Picture Patents Co.*<sup>160</sup>

*A.B. Dick* is a liminal case within the constitutional patent tradition, illuminating its particular power as a set of legal doctrines, but foreshadowing its end. In *A.B. Dick*, the Supreme Court held that a patent owner, acting within his unreserved right to “use,” could tie a patent to an unpatented article by a license on the patent that required the use of an unpatented article. The Court concluded that the act of selling a patented item without the unpatented item was, therefore, an act of contributory infringement.<sup>161</sup>

The Supreme Court then proceeded to reject the holding of *A.B. Dick*.<sup>162</sup> A year later, in 1913, the Court in *Bauer & Cie v. O'Donnell*<sup>163</sup> examined whether to uphold a license that dictated a set price to a patented good. The Supreme Court distinguished *A.B. Dick*, claiming that such a license implicated the right to “vend” a patent rather than the right to “use” a patent.<sup>164</sup> By 1917, in *Motion Picture Patents Co.*,<sup>165</sup> the Supreme Court overruled *A.B. Dick*, holding that a patentee could not utilize a license to limit subsequent users’ use of the patented good by requiring that those purchasers use an unpatented good with the patented good.<sup>166</sup>

The majority opinion of *A.B. Dick* is squarely within the constitutional patent tradition. The Supreme Court noted that a finding of contributory infringement was necessary because tying cases implicated the common law use rights of the patent owner. Such use rights included the “property rights in the materials composing a patented machine” and the broader “right to use . . . for the purpose and manner pointed out by the patent.”<sup>167</sup> Thus, the Court maintained, the patentee’s broad use right allows her to limit the use rights of the associated machines. Justice Lurton concluded that “[t]he property right to a patented machine may pass to a purchaser with no right to use, or with only the right to use in a specified way, or at a specified place, or at specified purpose.”<sup>168</sup>

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159. See *Henry v. A.B. Dick Co.*, 224 U.S. 1 (1912).

160. See *Motion Picture Patents Co. v. Universal Film Mfg. Co.*, 243 U.S. 502 (1917).

161. *A.B. Dick Co.*, 224 U.S. at 49.

162. See *Quanta Computer Inc. v. LG Elecs., Inc.*, 553 U.S. 617, 627 (2008) (briefly reviewing the events that led to the reversal of *A.B. Dick*).

163. 229 U.S. 1, 14–17 (1913).

164. *Id.* at 17.

165. *Motion Picture Patents*, 243 U.S. at 518.

166. *Id.*

167. *Henry v. A.B. Dick Co.*, 224 U.S. 1, 1 (1912).

168. *Id.* at 24.

*A.B. Dick* was not an unusual case within the constitutional patent tradition. Nevertheless, it prompted a furious reaction. Justice Edward Douglas White, author of the dissent, challenged the majority in two ways. First, the dissent claimed that the majority's conception of a "use" right would cause social disruption since the patent owner would be able to limit the behavior of a "multitude of people"<sup>169</sup> by linking use of a patent to "ordinary commodity of general use."<sup>170</sup> Such power, explained Justice White, would "make the virtual legislative authority of the owner of a patented machine extend to every human being in society," a power that seemed outside of contractual privity.<sup>171</sup> The dissent thus focused the failure of common law regulation to fully address the complex ways in which consumers in a modern economy consumed products. Moreover, the dissent claimed that tying licenses undermined the public purposes of a patent because these licenses lacked the public authority of the patent itself.<sup>172</sup> The dissent in *A.B. Dick* prefigured the Supreme Court's approach in *Motion Pictures* by emphasizing how common law regulation of patents was insufficient insofar as it was not linked to the statutory authority imposed by Congress.

*A.B. Dick* also prompted significant academic, judicial, and legislative reaction. A representative example of legal commentary, noted in 1914 that:

The principles of the Mimeograph Case were settled long ago . . . . The only reason why the rule so clearly stated in the Button Fastener Case . . . has been attacked in vigorous terms by a dissenting minority of the Supreme Court is because there is a quickened public conscience which manifested itself in judicial discretion in the Selden Case to stop unmoral monopoly by abuse of the patent monopoly, and which would extend that power unduly.<sup>173</sup>

Lower courts also moved swiftly to reconsider the impact of the case.<sup>174</sup>

Likewise, Congress intervened through the introduction of H.R. 23417 (the "Oldfield Bill") in the U.S. House of Representatives, by William Oldfield of Arkansas, chairman of the House Committee on

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169. *Id.* at 50 (White, J., dissenting).

170. *Id.*

171. *Id.* at 54 (White, J., dissenting).

172. *Id.* at 70 (White, J., dissenting) ("[T]he power to issue a patent is made to depend upon considerations of the novelty and utility of the invention[] and the presence of these prerequisites must be ascertained and sanctioned by public authority.")

173. William Macomber, *Judicial Discretion in Patent Cases*, 24 YALE L. J. 99, 102 (1914) (citation omitted).

174. The Supreme Court's ruling was not the only critical assessment of *A.B. Dick*. Lower courts also attempted to limit the consequences of *A.B. Dick*. See, e.g., *Ford Motor Co., v. Union Motor Sales Co.*, 225 F. 373, 375 (S.D. Ohio 1914) (contending that the holding of *A.B. Dick* only applied in those cases where the patent owner was acting as a licensee rather than a manufacturer). Academic reaction to *A.B. Dick* was also critical. See, e.g., Note, *Control of Patentee over Unpatented Commodities*, 25 HARVARD L. REV. 641, 642-43 (1912).

Patents (Committee).<sup>175</sup> The Oldfield Bill contained two key provisions. Section 17 of the Oldfield Bill provided that if after the first four years of the patent, the patented invention was not manufactured, the owner had to provide a compulsory license to the patented invention upon demand. If the patent owner refused to provide a compulsory license, the person seeking the license could apply to a district court for a grant of the patent.<sup>176</sup> Section 32 permitted any person who purchased from the owner of a patent any machine, manufacture, or composition of matter, to use the purchased object without conditions, and prevented the patentee from imposing any condition related to the patented invention.<sup>177</sup>

Attesting to the significant controversy over Oldfield Bill, the Committee conducted twenty-seven days of testimony on its contents.<sup>178</sup> The rhetoric surrounding consideration of the bill reflected theoretical disagreement over the best way to regulate patents. For example, Gilbert Herbert Montague, an experienced patent practitioner, defended the constitutional patent tradition.<sup>179</sup> Montague claimed that intellectual property (what he termed “brain property”) enjoyed the same status as tangible property, and thus “the inventor could use or suppress or dispose of the results of his inventive thought as freely and as absolutely as the worker of tangible things could use, or suppress, or dispose of the results of his creative labor.”<sup>180</sup> By contrast, Chairman Oldfield, a noted Populist, emphasized the older norms of the public economy. He stressed that licenses should be regulated in ways that led to fairness in the marketplace, claiming:

the method of maintaining prices does not permit the public to have anything to do with the making of the contract between the public and the merchant, but the manufacturer and the retailer have everything to do with it and every-

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175. H.R. 23417, 62d Cong. §§ 1–51 (1912). William Oldfield introduced the bill on April 16, 1912. An amended version of the bill was introduced on August 8, 1912.

176. *Id.* § 17.

177. *Id.* § 32.

178. The twenty-seven hearings are collected in WILLIAM ALLEN OLDFIELD, *OLDFIELD REVISION AND CODIFICATION OF THE PATENT STATUTES: HEARINGS BEFORE THE COMMITTEE* (1912).

179. See, e.g., Gilbert H. Montague, *Patent System Defended in Congress*, 25 GREEN BAG 178 (1913); Gilbert H. Montague, *The Bogey of the “Patent Monopoly,”* 42 ANNALS AM. ACAD. POL. & SOC. SCI. 251 (1912); Gilbert H. Montague, *The Proposed Patent Law Amendments*, 24 GREEN BAG 337 (1912); Gilbert H. Montague, *The Proposed Patent Law Revision*, 26 HARV. L. REV. 128 (1912); Gilbert H. Montague, *Judge’s Views on Brain Property, Wrong*, N. Y. TIMES, September 13, 1912, at 8. See also Wyatt Wells, *Counterpoint to Reform: Gilbert H. Montague and the Business of Regulation*, 78 BUS. HIST. REV. 423 (2004) (examining Gilbert H. Montague’s career).

180. Gilbert H. Montague, *The Spirit of the American Patent System*, 196 N. AM. REV. 682, 687 (1912).

thing to say as to what is a reasonable profit. Is that a fair or wholesome way of doing things?<sup>181</sup>

Finally, Louis Brandeis, a central figure in progressive thought during this era,<sup>182</sup> contended that the type of regulatory issues at the heart of *A.B. Dick* could not be resolved within the scope of patent law itself. Rather, Brandeis suggested that legal regimes external to patent law, such as antitrust law, should be the vehicle of regulating tying licenses.<sup>183</sup>

Given the apparent limits of the constitutional patent tradition, the Supreme Court subsequently grappled with the best manner to regulate patents, whether to regulate intellectual property law through the common law of intellectual property regulation or whether through statutory authority. The Supreme Court in *Bauer & Cie v. O'Donnell*<sup>184</sup> refused to uphold a license that dictated a set price to a patented good, notwithstanding the dissent of Justice Lurton, among others. The Supreme Court distinguished *A.B. Dick*, claiming that such a license implicated the right to “vend” a patent rather than the right to “use” a patent under Section 4952 of the Patent Act of 1870.<sup>185</sup>

The majority opinion of *Bauer* relied on the legal reasoning of an earlier case, *Bobbs-Merrill Co. v. Straus*, which rejected the constitutional patent tradition.<sup>186</sup> In *Bobbs-Merrill*, the Supreme Court claimed that the copyright owner could not limit the resale of a book under the relevant copyright authority.<sup>187</sup> The Court utilized the text of the IP Clause in two ways. First, the Court claimed that, unlike a patent, a copyright was a kind of regulatory property and thus de-

181. *Oldfield Revision and Codification of the Patent Statutes: 19th Hearing Before the Subcomm. on Patents*, 62d Cong. 9 (1912) (statement by of Congressman William Oldfield, chairman).

182. The centrality of Louis Brandeis is well recognized within the relevant legal literature. See e.g., EDWARD PURCELL, JR., *BRANDEIS AND THE PROGRESSIVE CONSTITUTION: ERIE, THE JUDICIAL POWER, AND THE POLITICS OF THE FEDERAL COURTS IN TWENTIETH-CENTURY AMERICA* 116–91 (2000) (analyzing the constitutional jurisprudence of Brandeis within the context of the expansion of federal jurisdiction in *Erie*); PHILLIP CULLIS, *The Limits of Progressivism: Louis Brandeis, Democracy and the Corporation*, 30 J. AM. STUDIES 381–404 (1996) (analyzing Brandeis' influence on discussion of trusts within the Progressive era); see generally MELVIN UROFSKY, *LOUIS BRANDEIS AND THE PROGRESSIVE TRADITION* (1981) (outlining the broad contours of Brandeis' relationship to the Progressive movement).

183. *Oldfield Revision and Codification of the Patent Statutes: 18th Hearing Before the Comm. on Patents*, 62nd Cong. 9 (May 15, 1912) (statement of Louis D. Brandeis) (“But what I suggest that this committee should do is, having investigated this question from the patent end, report to the House that what is needed is not a law dealing specifically and in this limited way with patents, but dealing broadly with the situation, which is going to cover not only patents, but all articles.”).

184. 229 U.S. 1, 14–17 (1913).

185. Patent Act of 1870, 16 Stat. 198, § 4952.

186. *Bauer*, 229 U.S. at 12 (citing *Bobbs-Merrill Co. v. Straus*, 210 U.S. 339 (1908)).

187. *Bobbs-Merrill*, 210 U.S. 339.

pendent “upon the right created under the acts of Congress passed in pursuance of the authority conferred under [the IP Clause]: ‘[t]o promote the progress of science and useful arts, by securing, for limited times, to authors and inventors, the exclusive right to their respective writings and discoveries.’”<sup>188</sup> Second, the IP Clause formed the basis for congressional authority to limit any common law rights that might have been enjoyed by the patent owner to sell their copyrighted material. Thus, the IP Clause formed the basis for congressional authority to limit the common law prerogatives. The Court noted:

[T]he copyright statutes ought to be reasonably construed, with a view to effecting the purposes intended by Congress. They ought not to be unduly extended by judicial construction to include privileges not intended to be conferred, nor so narrowly construed as to deprive those entitled to their benefit of the rights Congress intended to grant.<sup>189</sup>

Thus, the Court concluded that the copyright owner could not limit the resale of a copyright item because the Copyright Act implicated the right to vend a copyrighted item and would extend beyond the limits of the statutory property right.<sup>190</sup>

*Bauer* and *Bobbs-Merrill* follow similar paths in their approach to the constitutional patent tradition. In both *Bauer* and *Bobbs-Merrill*, the Supreme Court once again referred to the text of the IP Clause to claim that the property rights of the patent owner should be defined only in relationship to the relevant statutory grant,<sup>191</sup> and once again stated that the text of the IP Clause suggested that “care should be taken not to extend by judicial construction the rights and privileges which it was the purpose of Congress to bestow.”<sup>192</sup> *Bobbs-Merrill* and *Bauer*, thus, suggest how the assimilation of the social-obligation principle into the metaphor of the patent bargain occurred. While *Bauer* and *Bobbs-Merrill* used the text of the IP Clause to support the claim of patent holder to a property right, both cases placed statutory law, rather than common law, at the center of doctrinal formation in patent law.

*Motion Picture Patents*<sup>193</sup> further reflects the synthesis of the doctrinal strands of obligation in the modern patent bargain. In *Motion Picture Patents*, the Supreme Court overturned *A.B. Dick* and held that a patent owner could not mandate that a patented item (here a motion picture projector) be “tied” to the use of a nonpatented item

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188. *Id.* at 346.

189. *Id.*

190. *Id.* at 351.

191. *Bauer*, 229 U.S. at 10 (“The text of IP Clause for the purpose of encouraging useful invention and promoting new and useful improvements by the protection and stimulation thereby given to inventive genius, and was intended to secure to the public, after the lapse of the exclusive privileges granted, the benefit of such inventions and improvements.”).

192. *Id.*

193. *Motion Picture Patents Co. v. Universal Film Mfg. Co.*, 243 U.S. 502 (1917).

through a license arrangement.<sup>194</sup> The Court used a synthesized social-obligation principle as the explicit constitutional norm in interpreting the scope of Section 4884 of the Patent Act of 1870, which in key terms provided, “every patent shall contain . . . a grant to the patentee . . . of the exclusive right to make, use, and vend the invention or discovery throughout the United States.”<sup>195</sup> Initially, the Court stressed that three rules existed that would be used “to interpret the language of the statute.”<sup>196</sup> First, “the scope of every patent is limited to the invention described in the claims contained in it, read in the light of the specification.”<sup>197</sup> Second, “patent law simply protects him in the monopoly of that which he has invented and has described in the claims of his patent.”<sup>198</sup> The Court emphasized that “since *Pennock v. Dialogue* . . . was decided in 1829, this [C]ourt has consistently held that the primary purpose of our patent laws is not the creation of private fortunes for the owners of patents, but is ‘to promote the progress of science and the useful arts.’”<sup>199</sup> Using these principles, the Court explicitly rejected the ability of the patentee to tie patented products through conditional licenses because that practice was outside of the statutory ability to “use” and “vend” a patent.<sup>200</sup>

*Motion Pictures* is a seminal case in the doctrinal formation of the metaphor of the patent bargain. Initially, *Motion Pictures* explicitly rejected the constitutional patent tradition. In his dissent, Justice Holmes stated that “[I] suppose that a patentee has no less property in his patented machine than any other owner.”<sup>201</sup> Justice Holmes maintained that the majority had improperly rejected the inherent right to use that had accrued in patent ownership and acted in a manner that was inconsistent with previous cases, such as *Continental Bag*, which indicated that a patent holder could withhold its patent from use by others.<sup>202</sup>

*Motion Pictures* thus marked the clear distinction between the constitutional patent tradition and the modern patent regime. *Motion Pictures*, however, synthesized the primary strands of the social-obligation principle during the Progressive Era. First, *Motion Pictures* explicitly utilized the text of the IP Clause to interpret the statutory meaning of a patent statute. This resembled Judge Aldrich’s dissent

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194. *Id.* at 517–18.

195. *Id.* at 512 (citing § 4884, Patent Act of 1870) (emphasis added).

196. *Id.* at 510.

197. *Id.*

198. *Id.*

199. *Id.* (“[T]he patentee receives nothing from the law which he did not have before, and that the only effect of his patent is to restrain others from manufacturing, using, or selling that which he has invented.”).

200. *Id.* at 510–11.

201. *Id.* at 421 (Holmes, J, dissenting).

202. *Id.* at 422.



in *Continental Bag*, which used the text of the IP Clause to support a reading of the common law constitutional patent tradition. Second, *Motion Pictures* explicitly adopted the doctrinal strand of obligation from contract law. The metaphorical patent bargain as described in *Motion Pictures* is paid homage in Robinson's concept of mutual obligation: the patentee has an obligation to disclose the contents of the patented invention and the government has the obligation to grant a properly disclosed patented invention.

Thus, the metaphor of patent bargain does depend on a notion of obligation. The patentee's obligation, however, is grounded in the responsibility to disclose the contents of the patented invention rather than broad fairness concerns that characterized the social-obligation norm within the constitutional patent tradition. The metaphor of the patent bargain, therefore, adopts a narrower claim than the social-obligation principle within the constitutional patent tradition, which grounded its language of obligation within the fairness of the patent's actions against other users. Despite this narrowness, the metaphor of the patent bargain is shaped by its commitment to casting the public's claim as resulting from the obligations that are to be placed on the patent holder. Thus, in many respects, it is still explicitly a conservative way of articulating the public interests that inhere in a patent.

#### IV. CONSTITUTIONAL COMPLEXITY IN THE FORMATION OF MODERN PATENT LAW

Tracking the many permutations of the social-obligation principle also provides a framework for the modern patent regime. Its utility extends to current patent practice today. Tracing its existence helps us to recognize what I term *constitutional complexity* in the modern patent regime.

Constitutional complexity recognizes that the judicial crafting of intellectual property law occurs not simply within a narrow epistemic community of intellectual property practitioners, but also simultaneously within a broader constitutional discourse and practice. Section IV.A of this Part outlines the primary practical effects of constitutional complexity, including the ongoing use of constitutional norms as well as the importance of doctrinal lineages in understanding the development of patent law. Section IV.B outlines the theoretical consequences of constitutional complexity, with a particular focus on the institutional legitimacy of the Supreme Court in modern patent law.

##### A. Constitutional Complexity and Practical Effect in Modern Patent Law

The task of recognizing constitutional complexity permits some speculation as to the practical effects of this complexity—however ten-

tative—within the doctrinal formation of patent law. Two primary conclusions can be drawn.

First, it is important to simply recognize that debates over the text of the IP Clause need to acknowledge the ways in which the clause is used within constitutional discourse. For example, consider the famous language contained in *Graham v. John Deere Co. of Kansas City*<sup>203</sup>:

At the outset, it must be remembered that the federal patent power stems from a specific constitutional provision which authorizes the Congress ‘[t]o promote the Progress of . . . useful Arts, by securing for limited Times to . . . Inventors the exclusive Right to their . . . Discoveries.’ The clause is both a grant of power and a limitation.<sup>204</sup>

*Graham’s* language referring to “grant” is easily understood to refer to congressional authority; figuring out what the Court deemed the “limits” of congressional authority as outlined in *Graham* proves more difficult.

The conclusion, however, is that when the Court is referring to “the limits” that are imposed by the IP Clause, it is a clear reference to the ways the IP Clause can be used as a constitutional norm in interpreting the statutory text of the Patent Act of 1952. The language of *Graham* indicates its status as a constitutional norm. The Court refers to the goal of “promot[ing] the Progress of . . . useful Arts” as “the *standard* expressed in the Constitution [which] may not be ignored. And it is in this light that patent validity requires reference to a standard written into the Constitution.”<sup>205</sup> The Court in *Graham*, rather than attempting to rely on a given meaning, instead utilized the IP Clause as an interpretative canon to help it determine the meaning of the text of Section 103 of the Patent Act of 1952. The outcome of *Graham* is clear as well; the patents at issue were found to be invalid under Section 103. Thus, we see that the Court in *Graham* utilized the text of the IP Clause in exactly the way identified by Hiroshiro Motomura—as an interpretative canon that expressly applies a constitutional principle as way to discern the meaning of the statutory scheme embodied in the Patent Act of 1952. *Graham’s* language directly reflects the Court’s use of the IP Clause in *Motion Pictures*.

*Graham’s* invocation of the IP Clause as constitutional norm used to interpret statutes of the Patent Act of 1952 and other type of legislation could be seen as a singular case, an experiment never to be repeated. *Graham*, though, is not a singular case. Initially, as discussed in Part III, *Graham’s* invocation of the IP Clause is consistent with how the Supreme Court invokes the IP Clause in *Bauer*, *Bobbs-Merrill*, and *Motion Picture* in the jurisprudential revision of

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203. 383 U.S. 1, 5 (1966).

204. *Id.* (citation omitted).

205. *Id.* at 688 (citations omitted).

the synthesized patent bargain. For instance, in *Motion Picture*, the Court specifically referred to the IP Clause as way to interpret the statutory provision of the Patent Act.

Moreover, the use of the IP Clause as a limit enjoyed a revival in the Supreme Court's jurisprudence during the New Deal Era.<sup>206</sup> For example, in a dissent in *Special Equipment v. Coe*, Justice Douglas contended that the terms of the IP Clause achieve two goals.<sup>207</sup> First, according to Justice Douglas, the IP Clause provides the standards for the exercise of congressional authority and also "sets the limits beyond which it may not go."<sup>208</sup> Second, according to Justice Douglas, the IP Clause also serves as "the guide for the interpretation of patent laws enacted pursuant to that power."<sup>209</sup> This use of the IP Clause as an interpretative canon enjoyed a significant jurisprudential recognition during the New Deal Era and after the passage of the Patent Act of 1952.<sup>210</sup>

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206. *Special Equip. Co. v. Coe*, 324 U.S. 370 (1945).

207. *Id.* at 381–82 (emphasis added) (Douglas, J., dissenting).

208. *Id.* at 381 (Douglas, J., dissenting).

209. *See, e.g.*, *Scott Paper Co. v. Marcalus Mfg. Co.*, 326 U.S. 249, 255 (1945) ("The enactment of these provisions is the mode by which Congress has chosen to carry into effect the policy sanctioned by the Constitution, Article I, s 8, Cl. 8 'To promote the Progress of Science and useful Arts, by securing for limited Times to Inventors the exclusive Right to their Discoveries.' The nature and extent of the legal consequences of the expiration of a patent are federal questions, the answers to which are to be derived from the patent laws and the policies which they adopt.").

210. *Brenner v. Manson*, 383 U.S. 519, 536–37 (1966) ("Certainly this reading of 'useful' in the statute is within the scope of the constitutional grant, which states only that '[t]o promote the Progress of Science and useful Arts,' the exclusive right to 'Writings and Discoveries' may be secured for limited times to those who produce them. . . . Yet the patent statute is somewhat differently worded and is on its face open both to respondent's construction and to the contrary reading given it by the Court."); *Ellis-Foster Co. v. Reichhold Chemicals*, 198 F.2d 42, 43–44 (3d Cir. 1952) ("There is a general principle applicable to the right to a patent. It is that the patentee must be the first inventor. This is the rule one would expect to find pursuant to the purpose declared in the Constitution: 'To promote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries'. An important rule, applying the general principle just stated, is that, in a case where there is no foreign element involved, either as to invention or inventor, the application to the United States Patent Office speaks as prior invention as of the application date." (citation omitted)); *H. Wenzel Tent & Duck Co. v. White Stag Mfg. Co.*, 199 F.2d 740, 743 (9th Cir. 1952) ("Such special privilege would be unwarranted were it not for a specific provision in the United States Constitution giving Congress the power to 'promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries'. In the exercise of this Constitutional power, Congress has set forth certain reasonable conditions which must be met in order for an individual to obtain a government protected monopoly. To be patentable an invention or discovery, or improvement thereon, must be 'new and useful,' must not have been 'known or used' in the United States or 'patented or described in any printed

Understanding that the IP Clause can serve as an interpretative canon has significant consequences. If, as Justice Douglas noted, the IP Clause has two purposes, permitting judicial review of congressional action and serving as an interpretative canon, our scholarship needs to examine *both* purposes. Scholarship over the purpose of the IP Clause, however, has been driven by intense debate over whether the phrase “[to] promote the Progress of Science and the Useful Arts” serves to limit the statutory authority of Congress in passing intellectual property legislation.<sup>211</sup> The primary fulcrum of this debate is

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publication’ in the United States or foreign country more than one year prior to the application, and must not have been ‘in public use or on sale in this country’ for more than one year prior to the application nor ‘proved to have been abandoned.’ (citation omitted)); *Jenkel-Davidson Optical Co. v. Roberts Instrument Co.*, No. 58 C 347 (3), 1961 WL 8150, at \*3 (E.D. Mo. Mar. 31, 1961) (“The Constitution, Article 1, Section 8, does not authorize the issuance of patents for mechanical skill alone, but authorizes the granting of exclusive right ‘to promote the Progress of Science and useful Arts.’ Under this authority Congress has provided, in 35 U.S.C., § 101, that, ‘Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefore.’”); *McCashen v. Watson*, 131 F. Supp. 233, 236–37 (D.D.C. 1955) (“This case is controlled by the very recent and well-reasoned opinion of Chief Judge Laws in the case of *Torok v. Watson*<sup>11</sup> where it was stated, in accord with Congressional expression of the Constitutional provision, ‘to promote the Progress of Science and useful Arts,’ that the Patent Statute should be construed in the light of its purpose to promote the welfare of society by encouraging and stimulating discovery and invention. The requirement of invention should be examined in the light of the contribution the product makes to the advancement of the arts and sciences. The statute itself makes no strict and narrow requirement of invention.” (footnote omitted)); *Torok v. Watson*, 122 F. Supp. 788, 790 (D.D.C. 1954) (“Applications for patents must be measured against the basic requirement ‘to promote the Progress of Science and useful Arts.’ The patent statutes represent the Congressional expression of this Constitutional provision, and should be construed in the light of its purpose to promote the welfare of society by encouraging and stimulating discovery and invention.” (citation omitted)).

211. See, e.g., MURRAY, *supra* note 41, at 71; Jeanne C. Fromer, *The Intellectual Property Clause’s External Limitations*, 61 DUKE L.J. 1329, 1339–41 (2012) (examining the IP Clause’s external limitations by way of its textual and structural makeup); Andrew M. Hetherington, *Constitutional Purpose and Inter-Clause Conflict: The Constraints Imposed on Congress by the Copyright Clause*, 9 MICH. TELECOMM. & TECH. L. REV. 457, 467 (2003) (analyzing the textual nuances of the IP Clause); Thomas B. Nachbar, *Intellectual Property and Constitutional Norms*, 104 COLUM. L. REV. 272, 277 (2004) (arguing that the limits of the IP Clause “do not represent generally applicable constitutional norms and Congress may therefore legislate pursuant to the Commerce Clause without regard to the Intellectual Property Clause or its limits”); Dotan Oliar, *Making Sense of the Intellectual Property Clause: Promotion of Progress as a Limitation on Congress’s Intellectual Property Power*, 94 GEO. L.J. 1771, 1787 (2006) (discussing the importance of history and structure when interpreting the IP Clause); William Patry, *The Enumerated Powers Doctrine and Intellectual Property: An Imminent Constitutional Collision*, 67 GEO. WASH. L. REV. 359, 372 (1999) (suggesting that the placement of the IP Clause within Article I might be indicative of the Framers’ intent to

whether the text of the IP Clause permits judicial review of congressional action as to intellectual property legislation. While this debate serves an important purpose, ignoring how courts utilize the IP Clause as an interpretative canon may undermine efforts to develop a coherent theory of the IP Clause. Indeed, ignoring the use of the IP Clause as an interpretative canon may undermine public interest claims in intellectual property law. For instance, the Court may prefer to offer narrow readings of specific textual provisions of any given act as opposed to striking down the entire legislation. A subtle reading of the purpose of the IP Clause thus offers the judges the ability to preserve flexibility in the judicial review of intellectual property legislation.

Second, examining how judges use the text of the IP Clause as an explicit constitutional norm is helpful in explaining what often appears to be confusing or contradictory choices. A claim of doctrinal lineage suggests that we must link the current jurisprudence of the Supreme Court to *specific* choices to invoke different constitutional lineages. I refer to these doctrinal lineages because while there is often a family resemblance within the doctrinal lineages, differences do occur within each lineage.

These doctrinal lineages are complex. For example, while this Article specifically considers the social-obligation principle and its gradual evolution in to the metaphor of the patent bargain, other interpretative traditions exist that invoke the text of the IP Clause. For example, Justices Felix Frankfurter and Ruth Bader Ginsburg share an interpretative lineage, which I term the “institutionalist tradition,” that suggests the text of the IP Clause should be only read to delineate judicial deference to legislative decision making within intellectual property regulation.<sup>212</sup> Another doctrinal lineage, shared

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make this clause a “grant of rights and not a restriction on Congress’s powers”); Lawrence B. Solum, *Congress’s Power to Promote the Progress of Science: Eldred v. Ashcroft*, 36 LOY. L.A. L. REV. 1, 19–20 (2002) (comparing the text, structure, and history of the IP Clause to other constitutional clauses); Edward C. Walterscheid, *To Promote the Progress of Science and Useful Arts: The Anatomy of a Congressional Power*, 43 IDEA 1, 81 (2003) (proffering that the IP Clause’s language does indeed qualify and limit Congress’s patent and copyright powers). A constitutional clause designed to regulate authority over an intellectual property clause is also known as an “institutional allocation principle.”

212. Compare *MacGregor v. Westinghouse Elec. & Mfg. Co.*, 329 U.S. 402, 410 (1947) (Frankfurter, J., dissenting) (“If ever a doctrine has established itself as part of our law to be respected by the judiciary this is it. If it is to be changed, Congress is there to change it. Perhaps Congress will see fit to reexamine the doctrine in all its ramifications in the light of its history and the experience under it, and with due regard to all factors relevant to our patent system. We cannot do that. We can only adhere to the doctrine or overrule it. Until Congress does undo a principle so embedded in our law, we should leave it where we find it.”), with *Golan v. Holder*, 132 S.Ct. 873, 884 (2012) (“We first address petitioners’ argument that Congress lacked authority, under the Copyright Clause, to enact § 514.

by Justices William Douglas and Stephen Breyer, which I term the “skeptical lineage” emphasizes that the text of the IP Clause demonstrates a patent is not a property interest but is instead a regulated monopoly that can be subject to significant constitutional constraints.<sup>213</sup> Finally, a third interpretative lineage, what I term the “syncretic lineage,” exemplified by Justice Clarence Thomas, has in many respects drawn on the constitutional common law tradition to place regulatory limits on the exercise of patent rights.<sup>214</sup>

The existence, then, of competing lineages is an important indicator of the constitutional complexity within our intellectual property jurisprudence. Recognition of these lineages, however, suggests how modeling constitutional complexity can lead to a more complete picture of doctrinal formation in patent law in two key respects. First, recognizing doctrinal lineages can help us read with more sophistication how doctrine shifts within patent law. For instance, recognizing that Justice Douglas falls within a skeptical lineage helps to situate how his decisions recognized significant common law exceptions under Section 101 of the Patent Act of 1952 in, for example, *Funk Brothers*

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The Constitution states that ‘Congress shall have Power . . . [t]o promote the Progress of Science . . . by securing for limited Times to Authors . . . the exclusive Right to their . . . Writings.’ Art. I, § 8, cl. 8. Petitioners find in this grant of authority an impenetrable barrier to the extension of copyright protection to authors whose writings, for whatever reason, are in the public domain. We see no such barrier in the text of the Copyright Clause, historical practice, or our precedents.”).

213. *Compare* Automatic Radio Mfg. Co. v. Hazeltine Research, 339 U.S. 827, 837 (1950) (Douglas, J., dissenting) (“We are, I think, inclined to forget that the power of Congress to grant patents is circumscribed by the Constitution. The patent power, of all legislative powers, is indeed the only one whose purpose is defined. [The IP Clause] describes the power as one ‘To promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries.’ This statement of policy limits the power itself.”), *with* *Golan*, 132 S.Ct. at 899 (Breyer, J., dissenting) (“In order ‘[t]o promote the Progress of Science’ (by which term the Founders meant ‘learning’ or ‘knowledge’), the Constitution’s Copyright Clause grants Congress the power to ‘secur[e] for limited Times to Authors . . . the exclusive Right to their . . . Writings.’ This ‘exclusive Right’ allows its holder to charge a fee to those who wish to use a copyrighted work, and the ability to charge that fee encourages the production of new material. In this sense, a copyright is, in Macaulay’s words, a ‘tax on readers for the purpose of giving a bounty to writers’—a bounty designed to encourage new production. As the Court said in *Eldred*, “[t]he economic philosophy behind the [Copyright] [C]lause . . . is the conviction that encouragement of individual effort by personal gain is the best way to advance public welfare through the talents of authors and inventors.” (citation omitted) (quoting *Eldred v. Ashcroft*, 537 U.S. 186, 212 n.18 (2003)).
214. For instance, Justice Thomas has explicitly revived a number of common law doctrines, including the doctrine of equivalents, *Warner-Jenkinson Co. v. Hilton Davis Chem. Co.*, 520 U.S. 17 (1997), and the patent exhaustion doctrine, *Quanta Computer, Inc., v. LG Elecs., Inc.*, 553 U.S. 617 (2008).

*Seed Co. v. Kalo Incolant Co.*<sup>215</sup> and *Gottschalk v. Benson*.<sup>216</sup> Indeed, in *Mayo Collaborative Services v. Prometheus Laboratories*,<sup>217</sup> Justice Breyer's important opinion on the common law exceptions under Section 101, he explicitly drew on Justice Douglas's decisions in *Funk Brothers* and *Gottschalk*. Specifically, Justice Breyer extended Justice Douglas's theory that improvidently granted patents inhibit speech to outline a theory on why the common law exceptions existed within the scope of modern patent law.<sup>218</sup> Second, recognizing the existence of lineages can link intellectual property decisions to broader constitutional discourse. Both Justice Douglas's<sup>219</sup> and Justice Breyer's<sup>220</sup> concerns about the communicative effects of improvidently granted patents can and should be linked to their broader concerns within their First Amendment jurisprudence.

Recognition of constitutional complexity suggests that intellectual property scholars and intellectual property practitioners need to understand the links between intellectual property concerns and other areas of the law. Concrete steps can be taken to achieve this goal. From a scholarly standpoint, further empirical work can be undertaken to map the relationships within lineages, and the ways in which different constitutional norms are employed within those lineages. From a practitioner standpoint, appellate argumentation should become more nuanced, as advocates can predict outcomes more accurately.

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215. 333 U.S. 127 (1948).

216. 409 U.S. 63 (1972).

217. 132 S. Ct. 1289, 1294 (2012).

218. *Id.* at 1293–94.

219. Justice Douglas is understood to be within a broader constitutional discourse, an ardent defender of the First Amendment. He viewed it as “performing a social function in maintaining a market place of ideas . . . essential to the working of the democratic process . . . [and] as supplying the constitutional grounds for protecting each person in seeking to realize his or her individual potential as a man or woman.” Thomas I. Emerson, *The First Amendment*, 74 COLUM. L. REV. 353, 356 (1974). When dealing with First Amendment cases, Douglas's position “can fairly be characterized as granting as great a protection from governmental interference as possible in an ordered society.” L. A. Powe, Jr., *Evolution to Absolutism: Justice Douglas and the First Amendment*, 74 COLUM. L. REV. 371, 402 (1974). Douglas truly believed in the First Amendment's command that the legislature “shall make no law” regarding speech, and that no governmental justification was factually sufficient to change his position. *Id.*

220. Paul Gerwitz, *The Pragmatic Passion of Stephen Breyer*, 115 YALE L. J. 1675, 1681 (2006) (outlining Breyer's jurisprudence within the First Amendment context).

## B. Constitutional Complexity and Theoretical Consequence in Modern Patent Law

Beyond its practical effects, engaging with constitutional complexity in modern patent law has theoretical consequence as well. In employing a multivariate historical method, the Author hopes to capture the ways regulatory institutions such as the Supreme Court have attempted to craft doctrine to be responsive to innovative and social disruption in the formation of modern patent law. Telling this story then permits us to more fully consider the role of constitutional courts such as the Supreme Court in intellectual property regulation. This Section considers how engaging with the Supreme Court's constitutional complexity offers a different way of viewing the institutional legitimacy in current patent governance.

In a previous work,<sup>221</sup> Esther van Zimmeren and the Author analyzed an emerging model of patent governance that we termed “dynamic patent governance.” Dynamic patent governance, we claimed, suggests that the formation of patent law should be examined holistically, with a focus on the interplay between the formal dimensions of the law (regulatory actors such as the legislators, examiners, and judicial reviewers),<sup>222</sup> and the informal dimension of the law (plural actors that seek to influence the formal dimensions).<sup>223</sup> Crucially, we identified the emerging conflict within the informal dimensions of law, between “new” actors on the patent scene (whom we collectively term the “patent civil society”) and the more settled stakeholders of the “epistemic” communities that have traditionally driven patent policy decision making.<sup>224</sup> This conflict in patent law, we suggested, has begun to disrupt patent policy decision making in domestic, regional and international patent law.<sup>225</sup>

Recognizing the effects of constitutional complexity, though, is useful when seeking methods for managing this conflict between the more committed epistemic community and the patent civil society. Specifically, constitutional courts such as the Supreme Court often play a

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221. Kali Murray & Esther van Zimmeren, *Dynamic Patent Governance in Europe and the United States: The Myriad Example*, 19 CARDOZO J. INTL & COMP. L. REV. 287 (2011).

222. *Id.* at 295.

223. *Id.* at 296.

224. *Id.* at 308–13. We define epistemic community to be composed of “the dominant core of these epistemic communities consists of transnational firms with important patent portfolios, technically sophisticated lawyers, legal academics, and legally trained scientific experts and officials.” *Id.* at 309. We define the patent civil society as “policy-influencing civil society organizations, such as development and human rights NGOs, environmental and other pressure groups, trade unions, consumer organizations, faith-based and inter-faith groups, and certain professor organizations.” *Id.* at 310.

225. *Id.* at 312–14.



role of managing conflict between these two sets of actors within the informal dimension. Indeed, tracing the evolution of the social-obligation principle demonstrates the institutional responsiveness of the Court to demands of public critics of patent law, such as the populist social movement. Thus, the attempts of the Supreme Court to navigate between different communities play a crucial role in maintaining the overall legitimacy of patent law.

Crucially, recognizing this role of mediation between actors within the informal dimensions plays an important role in answering critics of the Supreme Court's intervention in patent law. For instance, a common complaint is that the Supreme Court's jurisprudence does not offer significant guidance to intellectual property practitioners.<sup>226</sup>

A response, upon consideration of the Supreme Court's role as a mediator, suggests that it is precisely because of the Court's willingness to consider constitutional values<sup>227</sup> or other doctrinal areas such as antitrust law and consumer protection law that makes its patent jurisprudence valuable to the overall legitimacy of patent law. The Supreme Court's guidance may act in an opaque manner to preserve its legitimacy to a range of different audiences. This is a particularly relevant concern given the potential for "industry capture" that might impact legislative or administrative reform.<sup>228</sup>

Perhaps recognizing constitutional complexity will help us to move beyond what has often been a narrow view of the purposes of the Supreme Court and other constitutional courts within a functional intellectual property system. Prompted by the Supreme Court's often scathing review of the Federal Circuit's holdings in recent years, the subject of the Supreme Court's institutional intervention in intellectual property decision making has been the subject of substantial law review literature.<sup>229</sup> This literature, however, has often focused on

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226. Donald Chisum, *The Supreme Court and Patent Law: Does Shallow Reasoning Lead to Thin Law*, 3 MARQ. INTELL. PROP. L. REV. 1, 4 (1999) (discussing the impact of Supreme Court jurisprudence on the practitioners within the patent community).

227. Sapna Kumar, *Life, Liberty, and the Pursuit of Genetic Information*, 65 ALA. L. REV. 625 (2014) (addressing the impact of the Fifth Amendment Due Process Clause on the granting of genetic patents).

228. Melissa Wasserman, *The Changing Guard of Patent Law*, 54 WILLIAM & MARY L. REV. 1959, 2013–18 (2013) (assessing industry capture within the context of patent and administrative law).

229. See, e.g., Thomas Hungar & Rajiv Mohan, *A Case Study Regarding the Ongoing Dialogue Between the Federal Circuit and the Supreme Court: The Federal Circuit's Implementation of KSR v. Teleflex, Inc.*, 60 SMU L. REV. 559 (2013) (examining how the Federal Circuit addressed the Supreme Court's decision in *KSR v. Teleflex, Inc.*); Daniel Kazhdan, *Beyond Patents: The Supreme Court's Evolving Relationship with the Federal Circuit*, 94 J. PAT. OFF. SOC'Y 25 (2012) (assessing the relationship of the Federal Circuit and the Supreme Court in patent adjudication); Peter Lee, *Patent Law and Two Cultures*, 120 YALE L. J. 2 (2010) (comparing the Federal Circuit's formalist judicial reasoning to the U.S. Supreme Court's

comparing how the Supreme Court (as a generalist court) conducts review of the federal circuit (as a specialist court) decisions.

A model of constitutional complexity, while consistent with this literature, also offers another way of constructing the Supreme Court's institutional legitimacy within the patent law. Tracing the evolution of the social-obligation principle helps us to understand that the Supreme Court's institutional legitimacy within patent law is constructed not only from its style of reasoning but from its ability to offer an authoritative forum for a public critique of patent law.

## V. CONCLUSION

The orientation of intellectual property law towards constitutional discourse in recent years is pronounced. Significant gaps exist, however, in the study of the relationship between constitutional law and intellectual property law.

This Article contends that in many respects, scholarship in intellectual property law needs to discard its epistemic insularity, and turns towards understanding intellectual property law as constitutional law.

Reorienting intellectual property towards constitutional discourse will have significant consequences. This Article suggests three. First, we need to rediscover the diverse ways in which the text of the IP Clause has been read. This reorientation will likely have to be made with a commitment to diverse historical methods. Second, we will have to show greater sensitivity to how the doctrinal formation of patent law has served as a response to periodic social and innovative disruption in patent law. Again, sensitivity to these periodic disruptions helps us to discern the primary role of the Supreme Court within current intellectual property regulation. Finally, we need engage with constitutional complexity in practice and theory. In doing so, we can more successfully discern the dual objectives of patent law, which seek not only to incentivize the creative activity of a patent claimant but also to protect the preconditions for creative activity by a range of multiple stakeholders.<sup>230</sup>

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holistic judicial reasoning); David Taylor, *Formalism and Anti-Formalism in Patent Law Adjudication: Rules and Standards*, 46 CONN. L. REV. 413 (2013) (examining the appropriate rules-based standards within the context of patent adjudication).

230. See Brief for Kali N. Murray & Erika R. George as Amici Curiae in Support of Petitioners at 2, 16–17, *Ass'n for Molecular Pathology v. Myriad Genetics, Inc.*, 133 S. Ct. 2107 (2013) (No.12-398), 2013 WL 432954.